SCC Power PLC and Subsidiaries

Consolidated Financial Statements for the 12-month period ended December 31st, 2024

Independent auditor's report

To the Board of Directors and Shareholders of SCC Power PLC

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects the consolidated financial position of SCC Power PLC (the Company) and its subsidiaries (together 'the Group') as at December 31, 2024, and their consolidated statements of comprehensive income and their consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

What we have audited
The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at December 31, 2024;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Autonomous City of Buenos Aires, April 21, 2025

PRICE WATERHOUSE & CO.S.R.L.

(Partner)

Paula Verónica Aniasi

SCC Power PLC

CONSOLIDATED FINANCIAL STATEMENTS
for the twelve-month period ended December 31st, 2024

Contents **Page**

SCC Power PLC and Subsidiaries

Consolidated Statement of Financial Position

(in US dollars)

as of December 31st, 2024

	Notes	12/31/2024	12/31/2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	639,452,330	632,354,356
Deferred income tax assets	5	52,046,631	86,077,008
Other assets	7 (a)	1,558,279	3,413,282
Tax assets	7 (b)	1,250,979	8,845,415
Total non-current assets		694,308,219	730,690,061
CURRENT ASSETS			
Other assets	7 (a)	9,686,919	25,823,348
Tax assets	7 (b)	8,111,683	17,857,778
Spare parts		5,845,296	4,660,977
Trade receivables	7 (e)	20,910,879	19,867,733
Investments	7 (d)	2,500,000	26,307,076
Cash and cash equivalents	7 (c)	36,906,804	42,111,124
Total current assets		83,961,581	136,628,036
Total assets		778,269,800	867,318,097
SHAREHOLDERS' EQUITY			
Share capital		200,060,887	200,060,887
Additional Paid-in capital		(199,998,000)	(199,998,000)
Retained earnings		17,060,861	87,831,607
Total equity		17,123,748	87,894,494
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans and borrowings	7 (g)	675,924,263	675,504,915
Deferred tax liabilities	5	29,493,419	-
Trade and other payables	7 (f)	10,956,434	24,197,237
Total non-current liabilities		716,374,116	699,702,152
CURRENT LIABILITIES			
Loans and borrowings	7 (g)	19,810,571	30,783,314
Tax liabilities		66,200	506,239
Salaries and social security		332,205	114,293
Trade and other payables	7 (f)	24,562,960	48,317,605
Total current liabilities		44,771,936	79,721,451
Total liabilities		761,146,052	779,423,603
Total liabilities and equity		778,269,800	867,318,097

See accompanying notes to these Consolidated Financial Statements

SCC Power PLC and Subsidiaries

Consolidated Statement of Comprehensive Income

(in US dollars)

for the twelve-month period ended December 31st, 2024

	Notes	12/31/2024 (12 months)	12/31/2023 (12 months)
Net revenues		114,707,233	103,382,173
Cost of sales	8 (b)	(55,246,943)	(48,373,975)
Gross profit		59,460,290	55,008,198
General and administrative expenses	8 (b)	(9,055,759)	(8,966,111)
Allowance on tax credits		(10,655,628)	(12,264,007)
Impairment loss on trade receivables		(4,866,898)	-
Net other income and expenses		6,081,363	(6,792,798)
Operating profit		40,963,368	26,985,282
Financial income	8 (a.1)	3,356,271	8,814,527
Financial expenses	8 (a.2)	(54,479,509)	(55,281,467)
Other financial results	8 (a.3)	7,796,248	17,481,753
Net foreign exchange loss		(4,883,328)	(70,110,004)
Net finance costs		(48,210,318)	(99,095,191)
Net loss before income tax		(7,246,950)	(72,109,909)
Income tax (expense) benefit		(63,523,796)	17,413,933
Net loss for the period		(70,770,746)	(54,695,976)
Comprehensive loss for the period		(70,770,746)	(54,695,976)

See accompanying notes to these Consolidated Financial Statements

SCC Power PLC and Subsidiaries

Consolidated Statement of Changes in Equity
(in US dollars)
for the twelve-month period ended December 31st, 2024

	Share capital	Additional paid-in capital	Retained earnings (accumulated income)	Total
Balances as of December 31st, 2022	200,060,887	(199,998,000)	142,527,583	142,590,470
Comprehensive loss for the period	-	-	(54,695,976)	(54,695,976)
Balances as of December 31st, 2023	200,060,887	(199,998,000)	87,831,607	87,894,494
Comprehensive loss for the period	-	-	(70,770,746)	(70,770,746)
Balances as of December 31st, 2024	200,060,887	(199,998,000)	17,060,861	17,123,748

See accompanying notes to these Consolidated Financial Statements

SCC Power PLC and Subsidiaries

Consolidated Statement of Cash Flows
(In US dollars)
for the twelve-month period ended December 31st, 2024

	Notes	12/31/2024	12/31/2023
Cash Flow from operating activities			
Net loss for the period		(70,770,746)	(54,695,976)
Adjustments for:			
Income tax expense (benefit)		63,523,796	(17,413,933)
Depreciation of property, plant and equipment	11	30,269,058	23,403,017
Impairment loss on trade receivables		4,866,898	-
Allowance on tax credits		10,655,628	12,264,007
Result of changes in fair value of financial assets	8 (a.3)	(4,126,646)	5,260,396
Gain on disposal of short-term investments	8 (a.3)	(3,669,602)	(28,471,202)
Change in fair value of investments	8 (a.3)	-	5,729,053
Net foreign exchange loss		4,883,328	70,110,004
Financial income	8 (a.1)	(3,356,271)	(8,814,527)
Financial expenses	8 (a.2)	54,479,509	55,281,467
Other income and expenses, net		(6,081,363)	6,792,798
Changes in operating assets and liabilities:			
Increase in trade receivables		(6,243,299)	(9,296,915)
Decrease in other assets		15,251,616	25,328,966
Increase in materials and spare parts		(1,184,320)	(2,482,781)
Decrease (increase) in tax assets		3,693,688	(35,060,801)
Decrease in trade and other payables		(30,222,395)	(9,088,493)
Increase in salaries and social charges to be paid		271,232	112,340
(Decrease) increase in tax liabilities		(819,276)	203,381
Net cash flows from operating activities		61,420,835	39,160,801
Cash flow from investing activities			
Net proceeds from financial assets and short-term investments		31,503,353	59,165,961
Acquisitions of property, plant and equipment		(37,264,312)	(82,722,052)
Net cash flows used in investing activities		(5,760,959)	(23,556,091)
Cash flow from financing activities			
Proceeds from bank loans	10 (e)	-	19,657,548
Payments of loans	10 (e)	(19,673,542)	(5,606,836)
Payments of interest on bank loans	10 (e)	(1,890,356)	(2,882,026)
Payments of SCC Power San Pedro local secured notes	10 (d)	(9,066,316)	-
Payments of interest on senior secured notes	10 (a, b)	(31,775,806)	(13,950,683)
Net cash flows used in financing activities		(62,406,020)	(2,781,997)
Net (decrease) increase in cash		(6,746,144)	12,822,713
Cash and cash equivalents at the beginning of period		42,111,124	43,369,075
Exchange rate difference		1,541,824	(14,080,664)
Net (decrease) increase in cash		(6,746,144)	12,822,713
Cash and cash equivalents at the end of period		36,906,804	42,111,124
Main investing and financing non-cash transactions			
Unpaid acquisitions of property, plant and equipment		7,322,473	9,390,152
Net main investing and financing non-cash transactions		7,322,473	9,390,152

See accompanying notes to these Consolidated Financial Statements

NOTES TO THE
CONSOLIDATED FINANCIAL STATEMENTS
as of December 31st, 2024 (in USD)

NOTE 1 - GENERAL INFORMATION

1.0) Reporting entity

SCC Power PLC (the "Company") is a public limited company incorporated, domiciled, and registered in the UK. The registered number is 14094520 and the registered address is, c/o TMF Group 13th floor, One Angel Court, London, United Kingdom. The Company was incorporated on May 9th, 2022.

The Group Financial Statements consolidate those of the Company and its subsidiaries (together referred to as "the Group").

The Group is comprised by:

- SCC Power GP Ltd, incorporated in BVI, a holding entity which is the General Partner 1% controlling shareholder of Stoneway Energy International LP and Stoneway Energy LP.
- Stoneway Energy International LP, incorporated in New Brunswick, Canada, a holding entity which is the 99% controlling shareholder of Stoneway Energy LP (Limited Partner) and holds 5% interests of SCC Power Argentina S.A., SCC Power San Pedro S.A., SCC Power Generation S.A. (former Araucaria Power Generation S.A.) and SCC Generation Argentina S.A. (former Araucaria Generation S.A.);
- Stoneway Energy LP, incorporated in New Brunswick, Canada, a holding entity which is the 95% controlling shareholder of SCC Power Argentina S.A., SCC Power San Pedro S.A., SCC Power Generation S.A. (former Araucaria Power Generation S.A.) and SCC Generation Argentina S.A. (former Araucaria Generation S.A.);
- SCC Power Argentina S.A., incorporated in Argentina to construct and operate three power-generating plants in Buenos Aires, Argentina: Las Palmas, Lujan and Matheu;
- SCC Power San Pedro S.A., incorporated in Argentina to construct and operate a power-generating plant in San Pedro, Buenos Aires, Argentina;
- SCC Power Generation S.A. (former Araucaria Power Generation S.A.), incorporated in Argentina, to acquire and manage investments in real estate; and
- SCC Generation Argentina S.A. (former Araucaria Generation S.A.), incorporated in Argentina to hold the PPA for the San Pedro combined-cycle plant until September 25, 2019, when it transferred all of its rights under such PPA to SCC Power San Pedro S.A.

1.1) Description of the business

The Group owns and operates four thermal generation plants (the "Plants"), located in Buenos Aires province: Las Palmas, Lujan, Matheu and San Pedro.

The Group's profit is derived from long-term power supply and provision agreements entered into with CAMMESA (Compañía Administradora del Mercado Mayorista Eléctrico S.A.) for the total installed capacity, as specified below:

- 686,5 MW of aggregate installed capacity awarded pursuant to Resolution Secretaría Energía Eléctrica ("SEE") N0. 21/2016. The operation under simple cycle in each plant has the following configuration:

  - four Siemens SGT-800 gas turbines at Las Palmas Plant with an installed capacity of 202 MW;
  - two Siemens SGT-800 gas turbines at San Pedro Plant with an installed capacity of 103,5 MW;
  - four Trent 60 gas turbines at Matheu Plant with an installed capacity of 254 MW;
  - two Trent 60 gas turbines at Lujan Plant with an installed capacity of 127 MW.

NOTE 1 -GENERAL INFORMATION

1.1) Description of the business (cont.)

- 105 MW of aggregate installed capacity awarded pursuant to Resolution SEE N0. 287/2017 related to the expansion and conversion to combined cycle of the San Pedro Thermoelectric Plant (hereinafter, "New Combined Cycle PPA"). The first phase of the project consisting of adding a third gas turbine achieved commercial operation on December 2019 adding 50 MW of incremental capacity. The second phase related to the installation of three heat recovery steam generators, an aero condenser, a steam turbine and various other auxiliary components, adding 55 MW of incremental capacity, achieved commercial operation on March 12, 2024.

Under the Simple Cycle PPAs, the Group assumed the obligation to maintain a minimum level of generation capacity in each of the Plants for a term of 10 (ten) years, starting from each commercial operation date.

Under the Combined Cycle PPAs, the Group assumed the obligation to expand and convert the San Pedro Plant to combined cycle by installing a third gas turbine, a steam turbine and various other auxiliary components. The combined cycle PPA will mature on February 16th, 2036.

Preventive closure of Matheu Plant

In December 2017, prior to completion of the construction of the Matheu Generation Facility, an injunction (the "2017 Matheu Injunction") prohibiting the construction and operation of the Matheu Generation Facility was issued by the First Instance Federal Court of Campana, province of Buenos Aires (the "Campana Federal Court"). Before the appeal of SCC Power Argentina, the 2017 Matheu Injunction was overturned on appeal by the Argentine Federal Court of Appeals on May 16, 2018.

On August 16, 2020, the Organismo Provincial para el Desarrollo Sostenible ("OPDS") ordered the preventive closure of the Matheu Generation Facility based on the existence of disturbing noises, and on the same date the Municipality of Pilar notified a closure order for the Matheu Generation Facility based on the lack of a municipal permit and the order issued by the OPDS.

On December 4, 2020, the Argentine Supreme Court issued a decision reversing the decision made on May 16, 2018 to overturn the 2017 Matheu Injunction and on March 16, 2021, the Argentine Federal Court of Appeals confirmed the 2017 Matheu Injunction, and the closure remained in place.

On May 21, 2021, SCC Power Argentina filed a writ before the Campana Federal Court to (i) modify the Matheu Injunction and authorize SCC Power Argentina to implement a remediation plan (the "Matheu Remediation Plan"). On September 13, 2021, the Campana Federal Court partially modify the Matheu Injunction in order to authorize SCC Power Argentina to begin implementing the Matheu Remediation Plan. SCC Power Argentina filed the proper documentation, to Ministerio de Ambiente de Provincia de Buenos Aires ("MAPBA") and the Municipality of Pilar, to obtain the permits to implement the Matheu Remediation Plan, which to this date is still pending.

NOTE 1 - GENERAL INFORMATION (cont.)

1.1) Description of the business (cont.)

On August 31, 2022 SCC Power Argentina filed before the Federal Judge a new writ to modify the Matheu Injunction in order to authorize SCC Power Argentina to operate with only two (2) turbines until the Matheu Remediation Plan is authorized. On October 31, 2022 the Federal judge rejected the petition, which was appealed by SCC Power Argentina.

On January 23, 2023 the Federal Court of Campana authorized SCC Power Argentina to operate the Matheu Generation Facility on a provisional basis with two (2) turbines, between 8:00 a.m. to 9:00 p.m. and until June 30, 2023. The facility has been non-operational since July 1st, 2023.

During December 2023, the Company was awarded with a new project from the SEE. It includes the transfer of the Matheu Thermoelectric Plant to the Abasto location in Buenos Aires province. According to the terms of the bidding, the Company made reserve payments in December 2023 that will allow the Company to enter into new PPA contracts (242 MW capacity) in the future. On July 8, 2024, CAMMESA under Res. 151/2024, cancelled the awarding of contracts to expand power plants and reimbursed the corresponding total amounts.

On December 16, 2024, the Federal Court of Campana authorized SCC Power Argentina to operate the Matheu Generation Facility on a provisional basis with three (3) turbines, between 9:00 a.m. to 9:00 p.m., for a period of three months, potentially renewable for an additional equal term. The turbines authorized to operate were identified as TG11, TG13, and TG14.

NOTE 2 - BASIS OF ACCOUNTING

2.0) Statements of compliance with IFRS

These financial statements have been prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

These financial statements ended December 31, 2024, were authorized for issue by the Board of Directors of the Company on April 21, 2025.

2.1) Group's financial position

On May 17th, 2022 the Company acquired the businesses of Stoneway Capital Corporation ("Stoneway"), primarily engaged in the business of constructing, owning and operating, through its subsidiaries, consisting of four power-generating plants, with an aggregate installed capacity 737 MW, that utilize diesel and natural gas to provide base-load electricity to the wholesale electricity market in Argentina.

The Group has prepared cash flow forecasts which includes repayment of the senior and local secured notes as well as short term debt. Higher cash inflows were estimated as a result of the combined cycle operation in San Pedro plant. The Company estimates that current liabilities will be paid as required.

The directors have assessed that the Group will have sufficient funds to continue to meet its liabilities and obligations as they fall due for at least 12 months from the date of approval of these Financial Statements and have prepared the Consolidated Financial Statements on a going concern basis.

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.2) Preparation of the Consolidated Financial Statements

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and have the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer (see Note 2.1).

The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

2.3) Basis for measurement and presentation

All intra-group balances, transactions, income and expenses, and profits and losses, including unrealised profits arising from intra-group transactions, have been eliminated on consolidation.

These Consolidated Financial Statements have been prepared on the historical cost basis.

The presentation in the Consolidated Statement of Financial Position makes a distinction between current and non-current assets and liabilities. Current assets and liabilities are those expected to be recovered or paid within twelve months after the reporting date. In addition, the Group reports the Consolidated Statement of cash flows by the indirect method.

These Consolidated Financial Statements are stated in USD, except as otherwise indicated.

Additionally, certain non-material reclassifications have been made to the comparative figures to maintain consistency in presentation with the figures for the current period.

2.4) Changes in accounting policies - new standards

New rules in force from this period

During the period, the following regulations or modifications to regulations have come into force:

New accounting standard or amendment	Effective date	Impact
Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants (Amendments to IAS 1)	1 January 2024	Disclosures related to Non-Current Liabilities with Covenants were included in Note 10 a) to d).
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1 January 2024	No impacts.
Lease liability on a sale and Leaseback (Amendments to IFRS 16)	1 January 2024	No impacts.

The accounting policies used to prepare these financial statements are consistent with those applied in the preparation of the financial statements for the year ended December 31, 2023. The new standards in force and with the possibility of early adoption mentioned above were evaluated by Group Management. Except for amendment to IAS 1, according to management evaluation, they did not have and/or will have a significant impact on these financial statements.

See detail of Standards issued but not yet effective in Note 2.6.

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.5) Material accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

On October 27, 2023 SCC Power PLC signed an agreement with Eurobank to transfer USD 19,657,548 as a collateral deposit in favor of SCC Power Argentina S.A. The comparative information as of December 31st, 2023 included the related amounts as Prepayments in line “Financial Credits with Banks” (Note 7 d), Management has reviewed this transaction according to IFRS 9 and has concluded that presenting the related figures in Investments in line “Short term Investments” will be clearer to the reader of the Financial Statements. Consequently, Management has changed its accounting policy and recorded a reclassification in the comparative figures of the Consolidated Statement of Financial Position.

The effect of the change in the accounting policy generated in the Statement of Financial position a reclassification within current assets between Other Assets and Investments.

2.5.1) Foreign Currency

(a) Functional currency

The Company and its subsidiaries’ functional currency is the US dollar, determined on the basis of the analysis of various relevant factors set forth in IAS 21 Foreign Currency. All amounts have been rounded to the nearest USD, unless otherwise indicated.

(b) Transactions and balances

Transactions denominated in foreign currencies (all currencies other than the functional currency) are translated to the functional currency by applying the exchange rates prevailing at the dates of the transactions or the fair value measurement. The Consolidated Statement of profit or loss and other comprehensive income includes foreign exchange gains or losses derived from the settlement of these transactions and the translation at exchange rates prevailing at year-end of monetary assets and liabilities with an original currency other than the US dollar.

Foreign exchange differences are presented in the Consolidated Statement of profit or loss and other comprehensive income in the financial income or financial expenses line.

2.5.2) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control over a service rendered to a customer.

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.5) Material accounting policies (cont.)

2.5.2) Revenue recognition (cont.)

As mentioned in notes 1.1, the Group has entered into Wholesale Demand Agreements with CAMMESA for a term of ten years for Simple Cycle PPAs and for a term of 15 years for Combined Cycle PPAs. Based on those agreements, the Entity will sell:

1) Generation capacity, and
2) Supply of power

Generation capacity

Pursuant to the terms of the Wholesale Demand Agreements, the Argentine subsidiaries make available to CAMMESA the contracted capacity and support it with the turbines committed.

Consequently, the Argentine subsidiaries recognize income from generation capacity applying the straight-line method over the term of the agreements.

Supply of power

Regarding the second component, which is providing CAMMESA with the service of generating electric power, revenues are recognized as services are performed during the year.

2.5.3) Employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

The Group has not entered into any share based-payments arrangements with its employees or provided any defined benefit obligations plans or other long-term benefits to its employees.

2.5.4) Finance income and expense

The Group's finance income and expenses include:

- Interest income
- Interest expense
- The net gain or loss on financial assets at fair value through profit or loss (FVTPL)
- The foreign currency gains or loss on financial assets and financial liabilities

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.5) Material accounting policies (cont.)

2.5.4) Finance income and expense (cont.)

Interest income or expense is recognised using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

Exchange gains/losses results from the translation of monetary assets and liabilities denominated in currency other than USD by applying the exchange rate prevailing at year-end.

2.5.5) Income tax

Income tax expense comprises current and deferred tax. Income tax is recognised in the statement of profit or loss and other comprehensive income, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year for the Group. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent that is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual combined entities. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.5) Material accounting policies (cont.)

2.5.6) Property, plant and equipment

Items of property, plant and equipment (“PPE”) are measured at cost less accumulated depreciation and all accumulated impairment loss.

Cost includes all expenditure directly attributable to bringing the asset to the location and condition necessary for its intended use, which is, being capable of operating as expected by Management.

Expenditures in carrying out plant feasibility studies before deciding whether to invest in an asset or in deciding which asset to acquire are expensed as incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

The useful life and residual values are reviewed at each year end.

In relation to plants, once the construction is complete and the Plants are ready for operation, the Group depreciates the acquisition and construction costs on a straight-line basis over their estimated useful lives of 25 years, recognizing the depreciation in the statement of comprehensive income. Land is not subject to depreciation.

Major maintenance amounts are identified and accounted for as a separate component if that component is used over more than one period. If a major maintenance amount is embedded in the cost of an item of PPE, the carrying amount of the component is determined with reference to the current market price of the maintenance.

At the reporting date, the Group reviews the carrying amount of PPE to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

For the impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use (CGU). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount and it is recognized in the statement of comprehensive income.

The Group evaluated the estimated future cash flow of the CGU of Argentine subsidiaries simple cycle fixed asset, discounted at their current value using a pre-tax average discount rate that reflects the evaluations of current market value of money over time and the specific risks of the CGU.

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.5) Material accounting policies (cont.)

2.5.6) Property, plant and equipment (cont.)

As of December 31, 2024, the Group has identified the preventive closure of the Matheu Plant as a potential indicator of impairment. Based on this, it has calculated the value in use by assessing the estimated future cash flows of the CGU for single-cycle fixed assets, discounted to their present value using a pre-tax discount rate of 9.74%. This rate reflects current market assessments of the time value of money and the specific risks associated with the CGU.

The key revenue assumptions considered in the baseline cash flow projections are as follows:

(a) A variable dispatch factor of up to 19% was applied.

(b) The availability factor, our main source of revenue representing almost 92% of estimated income, is projected at a weighted average across different scenarios of 98.8%.

(c) Regarding the installed capacity under Resolution S.E.E. No. 21/2016, different remuneration scenarios were considered after the expiration of the PPA in 2027. In the most stressed scenario, projected prices equivalent to current spot market values were taken into account.

The main expense assumptions considered in the cash flow projections are as follows:

(a) Operation and Maintenance ("O&M"): For its estimation, following the conclusion of the O&M contracts for the Las Palmas plant with Siemens, fixed and variable expenses related to the Company's payroll were taken into account.

(b) Siemens LTP Contract: This was estimated based on the schedule of planned maintenance activities, according to the projected dispatch level and availability. Similar to the O&M contract, the extension of this contract was considered up to the end of the projection period.

(c) Administrative and Commercial Expenses: These were considered stable throughout the projection period.

(d) Income Tax: Calculated based on the application of the estimated tax rate to the pre-tax result.

After evaluating various scenarios, Management concluded that the discounted value of the estimated future cash flows of the CGU exceeds the book value of the CGU as of December 31, 2024, and December 31, 2023. Consequently, no additional impairment has been recorded by Management.

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.5) Material accounting policies (cont.)

2.5.7) Financial instruments

(1) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes party of the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component)

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the asset; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

(1) Recognition and initial measurement (cont.)

The Group makes an assessment of the objective of the business model in which a financial asset is held at instrument level. The information considered includes:

- Policies in practice, including whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities, or expected cash outflows or realizing cash flows through the sale of the assets.
- How the performance of the portfolio is evaluated and reported to the Group Management.

(2) Classification and subsequent measurement of financial assets

- The risk that affect the performance of the business model and how those risks are managed
- The frequency, volume, and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group continuing recognition of the assets.

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.5) Material accounting policies (cont.)

2.5.7) Financial instruments (cont.)

For the purpose of assessment whether contractual cash flows are solely payments of principal and interests, "principal" is defined as the fair value of the financial assets on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

For the purpose of assessment, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that is would not meet this condition. In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features, and
- Terms that limit the Group claim to cash flows from specified assets.

The Group classifies its financial assets into one of the following categories:

- Loans and receivables;
- Held to maturity;
- Available for sale, and
- At FVTPL

(3) Impairment

The Group recognizes loss allowances for Expected Credit Loses ("ECL") on:

- Financial assets measured at amortized cost;
- Debt investments measured at FVOCI;
- Contract assets;
- Lease receivable.

The Group measures loss allowances at the amount equal to lifetime ECLs, except for the other debt securities and bank balances for which credit risk has not increased significantly since initial recognition, which are measured at 12-month ECLs.

Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group historical experience and informed credit assessment and including forward-looking information.

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.5) Material accounting policies (cont.)

2.5.7) Financial instruments (cont.)

(3) Impairment (cont.)

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-months ECLs are the portion of the ECLs that result from default events that are possible within the 12 months after the reporting date, or a shorter period if the expected life of the instrument is less than 12 months.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls. ECLs are discounted at the effective interest rate of the financial asset.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Financial assets not classified as at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objective evidence that financial assets were impaired included:

- Default or delinquency by a debtor;
- Restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- Indications that a debtor or issuer would enter bankruptcy;
- Adverse changes in the payment status of borrower or issuers;
- The disappearance of an active market for a security because of financial difficulties; or
- Observable data indicating that there was a measurable decrease in the expected cash flows from a group of financial assets.

For financial assets measured at amortized cost, the Group considered evidence of impairment for these assets at individual asset level. An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account.

(4) Classification and subsequent measurement of financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. Financial liability at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.5) Material accounting policies (cont.)

2.5.7) Financial instruments (cont.)

(5) Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when the contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

(6) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.5.8) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ("CGU"). The recoverable amount of an asset or CGU is greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

2.5.9) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with maturity dates of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

2.5.10) Share capital

Share capital includes the nominal amount of the owner's contributions (see Note 12).

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.5) Material accounting policies (cont.)

2.5.11) Leases

The Group assesses whether a contract is or contains a lease considering whether the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'loans' in the statement of financial position.

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.5) Material accounting policies (cont.)

2.5.11) Leases (cont.)

As a lessee (cont.)

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term.

2.5.12) Material and spare parts

Material and spare parts are measured at the lower of cost and net realizable value. The cost of material and spare parts is based in its weight average price. The book value is also reduced when appropriate, according to an analysis carried out for this purpose, by a provision for obsolescence of those goods.

2.5.13) Derivative financial instruments:

Derivative financial instruments are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in profit or loss.

The Group has not formally designated financial instruments as hedging instruments.

2.5.14) Non-financial Assets

Incremental costs of obtaining a contract

The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Those cost are considered regardless of whether the contract is obtained.

Incremental costs are comprised of amounts paid at CAMMESA when a new contract is awarded. They are capitalized when the Group expects to recover those costs.

Those costs are amortized on a systematic basis that is consistent with the dispatch of energy, as ruled by the respective contract.

NOTE 2 - BASIS OF ACCOUNTING (cont.)

2.6) Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after January 1, 2025 and earlier application is permitted. However, the Group has not early adopted the new or amended accounting standards in preparing these financial statements.

New accounting standard or amendment	Effective date	Potential impact for the entity
Lack of Exchangeability – Amendments to IAS 21	1 January 2025	No impacts.
Sales or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS10 and IAS 28	Available for optional adoption / effective rate deferred indefinitely	No impacts.
Classification and measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026	The Company is evaluating future impacts of this amendment.
Annual improvements to IFRS Accounting Standards – Volume 11	1 January 2026	The Company is evaluating future impacts of this amendment.
IFRS 18 – Presentation and disclosures in Financial Statements	1 January 2027	The Company is evaluating future impacts of this amendment.
IFRS 19 – Subsidiaries without Public Accountability	1 January 2027	The Company is evaluating future impacts of this amendment.

NOTE 3 - USE OF JUDGMENT AND ESTIMATES

Management has made judgements and estimates about the future that affect the application of the Group´s accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on ongoing basis and are consistent with the Group´s risk management. Revisions to estimates are recognised prospectively.

a. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Note 2.5.5) – Current income tax and deferred income tax determination.
- Recoverability of Property, Plant and Equipment (PPE) (Note 2.5.6)
- Revenue recognition (Note 13 a and b).

The recoverability of the tax losses carried forward held by the Group as of December 31, 2024, was reviewed considering Management projections of the future taxable income for the next five years. The projections were prepared based on key future assumptions, including: (i) annual inflation and devaluation rates, (ii) tax depreciation of fixed assets, (iii) projected income results, considering a 96% availability and a 20% variable dispatch, (iv) financial results from interest generated by financial debt, and (v) foreign exchange losses based on the monetary position in foreign currency. Based on these projections, the Group's Management concluded that the tax losses carried forward are recoverable.

NOTE 4 - OPERATING SEGMENTS

The Board of Directors is the chief operating decision maker, who receives and reviews financial information considering that SCC Power PLC has only one operating segment. This is based on the fact that Argentine Subsidiaries have only one customer – CAMMESA (Notes 13 a), b) and c)), to whom they provide with the availability of contractual capacity and the supply of power.

All SCC Power PLC non-current assets are located in Argentina as of December 31st, 2024 and December 31st, 2023.

NOTE 5 - INCOME TAX

(a) Income tax expense

As from fiscal year 2021, taxable profit is levied at a variable rate of 25%, 30% or 35% based on the taxable profit of the year. The amount of each range is annually indexed up by the tax authority, based on the variation of the Consumer Price Index.

The thresholds as of December 31, 2024, are: Taxable profit up to AR$ 34.7 million (USD 38,052) are levied at 25%, up to AR$ 347 million (USD 380,521) at 30% and more than such amount at 35%.

In addition, as provided for by Law No. 27630, the rate applicable to the dividends on earnings generated in fiscal years beginning on or after January 1, 2018, is set to 7%.

The income tax expense is recognized on the basis of the best estimate made by Management of the weighted average rate that is expected at year end, applied to income before taxes for the period.

For the fiscal year ended December 31, 2024 and 2023, macroeconomics indicators were: (i) inflation rate according to IPC index (consumer price index) was 117.76% and 211%, respectively, (ii) wholesale inflation according to IPIM index was 67.1% and 276.4%, respectively (iii) devaluation of the peso against USD rose 21.66% and 78.09%, respectively. Considering the procedures for determining the inflationary tax adjustment, the mentioned difference between inflation and devaluation resulted in a significant tax profit for the 2024 fiscal year, leading to the use of tax losses carried forward for the current fiscal year.

The remaining tax losses carried forward will be adjusted for inflation based on the variation of the IPIM for the purpose of their calculation in the income tax return.

(b) Inflation adjustments for tax purposes

The Law No. 27.430, created the obligation that, as from fiscal years beginning on or after January 1, 2018, the inflation adjustment calculated based on the procedure described in the Income Tax Law be deducted or included in the tax income/loss, to the extent that the Consumer Price Index (IPC) at a general level accumulated over the 36 months prior to the end of the year that is calculated exceeds 100%.

During the first three years as from effective date (fiscal years beginning on or after January 1, 2018), the tax inflation adjustment was applicable to the extent the IPC variation for each of them exceeds 55%, 30% and 15%, respectively. The resulting inflation adjustment, either gain or loss, was recognized in six equal parts for fiscal years ending on December 31, 2020, and 2019. The first part was computed in the year corresponding to the calculation and the remaining five parts are recognized in the immediately subsequent years. As from December 31, 2021, the amount of the tax inflation adjustment is recognized in the same fiscal year.

(c) Uncertainty over income tax treatments

As of December 31, 2024 and 2023, carryforward tax losses were measured at the rate of the year on which it is expected to be compensated (35%), determined by applying the tax inflation adjustment procedures. Based on the guidelines of IFRIC 23 “Uncertainty over income tax treatments” and in accordance with the Company’s legal and tax advisors opinions, management assessed that it is more likely than not that the tax authority will accept the fiscal treatment, and as a consequence, has proceeded to apply the tax inflation adjustment to the carryforward tax losses using the wholesale domestic price index, as indicated in article 19 of the mentioned income tax law. The Group recognizes the related deferred tax asset only to the extent that it is probable there is sufficient future taxable profit to allow its consumption.

NOTE 5 - INCOME TAX

(d) The breakdown of the main components of deferred tax assets and liabilities is as follows:

	12/31/2024	12/31/2023
Deferred tax assets and (liabilities)		
Accumulated tax losses carried forward	62,015,842	150,284,856
Property, plant and equipment	(101,120,553)	(137,164,449)
Loans	53,970,913	62,690,479
Tax inflation adjustment	(780,488)	(2,412,547)
Provisions and others	8,467,498	12,678,669
Total deferred tax assets and (liabilities)	22,553,212	86,077,008

As of December 31, 2024, carryforward tax losses estimated in relation to the income tax are broken down as follows, according to their date of origin:

Year	Amount at tax rate - 35% Argentinian subsidiaries / 25 % UK entities	Expires in
2020	2,567,999	2025
2023	45,213,019	2028
2023	4,606,868	Without expiration
2024	9,627,956	Without expiration
Total	62,015,842	

For the fiscal year ended December 31, 2024 and 2023, the Group generated taxable profit. No cash outflows where required since, those payment balances were offset against unused tax loss carryforwards and income tax credits.

There are no impairments of tax losses carried forward as of December 31, 2024. For the fiscal year ended December 31, 2023, unrecognized accumulated tax losses carried forward amounted to $ 14,057,250.

For tax purposes, items of Property, plant and equipment are stated at cost less depreciation measured in pesos, while for accounting purposes, they are stated in USD. Deferred tax liability is recognized for the tax effect of the impact of the devaluation of pesos on tax basis of Property, plant and equipment.

The changes in deferred tax liabilities (net) are as follow:

	2024	2023
At the beginning of the year	86,077,008	68,663,075
Deferred income tax benefit (expense)	(63,523,796)	17,413,933
At the end of the year	22,553,212	86,077,008

NOTE 5 - INCOME TAX (cont.)

(d) The breakdown of the main components of deferred tax assets and liabilities is as follows (cont):

The actual income tax benefit (expense) differs from the theoretical amount to be obtained in case of using tax rate applicable to income tax, as follows:

	2024	2023
Net loss before income tax	(7,246,950)	(72,109,909)
Income tax for the year at the tax rate of 25%.	1,811,738	18,027,477
Difference in income tax rates, tax inflation adjustment, effect of exchange rate, fixed assets and others	(65,335,534)	(613,544)
Total income tax (expense) benefit	(63,523,796)	17,413,933

NOTE 6 - FINANCIAL INSTRUMENTS - CLASSIFICATION AND RISK MANAGEMENT

(a) Classification and fair value of financial instruments

SCC Power PLC uses the following hierarchy to determine the fair value of its financial instruments: Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities; Level 2: inputs other than quoted prices included in Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices), and Level 3: inputs for the asset or liability that are not based on observable market data.

The table below shows the classification of financial instruments held by the Group:

	Balances as of December 31, 2024		
Item	Note	Fair value (Level 1)	Amortized cost
Financial assets			
Other credits	7 (a)	-	2,500,000
Trade receivables	7 (e)	-	20,910,879
Investments	7 (d)	2,500,000	-
Cash and cash equivalents	7 (c)	36,120,342	786,462
Total financial assets		38,620,342	24,197,341
Financial liabilities			
Loans and borrowings	7 (e)	-	695,734,834
Trade and other payables	7 (f)	-	35,519,394
Total financial liabilities		-	731,254,228

NOTE 6 - FINANCIAL INSTRUMENTS - CLASSIFICATION AND RISK MANAGEMENT (cont.)

(a) Classification and fair value of financial instruments (cont.)

		Balances as of December 31, 2023	
Item	Note	Fair value (Level 1)	Amortized cost
Financial assets			
Other credits	7 (a)	-	6,500,000
Trade receivables	7 (e)	-	19,867,733
Investments	7 (d)	6,236,450	20,070,626
Cash and cash equivalents	7 (c)	7,338,021	34,773,103
Total financial assets		13,574,471	81,211,462
Financial liabilities			
Loans	7 (g)	-	706,288,229
Trade and other payables	7 (f)	-	72,514,842
Total financial liabilities		-	778,803,071

As of the date of these consolidated financial statements, the carrying balances of financial instruments are a reasonable estimate of their related fair values except in loans (liability) for which the fair value (Level 2 for Senior secured notes and Level 3 for loans) is USD 693,346,497 and USD 655,684,041 as of December 31, 2024 and 2023, respectively.

As of December 31, 2024, and 2023, there are no significant expected credit losses (“ECL”) to be recognized following the impairment assessment of financial assets estimated at amortized cost.

(b) Financial risk management

Financial risk management is addressed by the global policies of SCC Power PLC, which are focused on the uncertainty of the financial markets and the alternatives to minimize the potential adverse effects on its financial performance. The Group activities entail certain financial risks:

1. Market risk;
2. Liquidity risk;
3. Credit risk.

The Administration and Finance Management is responsible for the financial risk management, which identifies, assesses and hedges the financial risks. Risk management policies and systems are regularly reviewed to reflect changes in market conditions and Group´s activities.

NOTE 6 - FINANCIAL INSTRUMENTS - CLASSIFICATION AND RISK MANAGEMENT (cont.)

(b) Financial risk management (cont.)

1. Market risk

Market risk stems from the potential fluctuation to which SCC Power PLC is exposed upon changes in fair value or future cash flows that may be adversely affected by changes in the exchange rates, interest rates or other variables.

Below is a description of the referred risks as well as a detail of the extent to which SCC Power PLC is exposed, and a sensitivity analysis for potential changes in each of the relevant market variables.

- Currency risk

It is the risk that the fair value or future cash flows of financial instruments may fluctuate due to exchange rate changes. Given that the functional currency of the Group is the USD, the currency increasing exposure in terms of effects on profit or loss is the peso (legal tender in Argentina).

In order to minimize the results arising from exchange variations and, in an attempt to hedge the volatility risk in the fair value of assets and liabilities in foreign currency, the Group seeks to maintain a balance between assets and liabilities.

As mentioned before, the Group has entered long-term supply contracts with CAMMESA which are denominated in USD and mainly driven by fixed capacity availability payments. CAMMESA payments are settled in pesos, but the Group has the possibility to hedge any foreign exchange net exposure in the local futures and forwards market which has sufficient liquidity to meet its USD commitments and intends to use this as required.

As part as its business activities, SCC Power PLC is exposed to different financial risks: market risk (including exchange rate risk, interest rate risk, and price risk); credit risk, and liquidity risk.

NOTE 6 - FINANCIAL INSTRUMENTS - CLASSIFICATION AND RISK MANAGEMENT (cont.)

(b) Financial risk management (cont.)

1. Market risk (cont.)

- Currency risk (cont.)

The table below provides a breakdown of the net monetary position of the Group in its functional currency:

Net monetary position	Functional currency (USD) 12/31/2024	Functional currency (USD) 12/31/2023
Pesos (net assets)	23,604,186	39,988,079
Total	23,604,186	39,988,079

Based on the table above, management analysis considers the exposure of local currency in relation to the USD (functional currency), also considering the existing risk of devaluation of peso against USD in cash and cash equivalents. The Group estimates that, for each year, should other factors remain constant, a 10% increase or decrease of the local currency in relation to the functional currency at year-end would increase (decrease) income before tax, as described in the table below (amounts stated in functional currency):

	December 31, 2024		December 31, 2023	
	+10%	-10%	+10%	-10%
Pesos	2,145,835	(2,622,687)	3,635,280	(4,443,120)
Total	2,145,835	(2,622,687)	3,635,280	(4,443,120)

- Exchange rate risk

On September 1, 2019, the Executive Branch issued the Decree No. 609/2019, whereby certain extraordinary and temporary provisions are stated related to the transfers abroad and exchange market operations. Accordingly, on the same date, the Argentine Central Bank (BCRA) issued Communication "A" 6770, whereby the following measures:

- Any funds from new external financial debts disbursed as from September 1, 2019 are to be brought into the country and converted into local currency.

NOTE 6 - FINANCIAL INSTRUMENTS - CLASSIFICATION AND RISK MANAGEMENT (cont.)

(b) Financial risk management (cont.)

1. Market risk (cont.)

- Exchange rate risk (cont.)

- Access to the foreign exchange market in relation to liabilities in foreign currency, between Argentine residents, documented in public records or notarized instruments as of August 30, 2019 is allowed upon their maturity. However, access to the foreign exchange market to pay debts and other liabilities in foreign currency agreed by Argentine residents is forbidden as from September 1, 2019.

Access to the foreign exchange market to conduct the following transactions shall require the BCRA's prior authorization:

- Wiring of profits and dividends;
- Payment of services to foreign related companies, and
- Prepayment of financial debts (principal or interest) more than 3 days before maturity.

Since then, the BCRA has issued some modifications and an update of the mentioned communications, the main impact on Companies that had to cancel debt abroad, is that the BCRA published guidelines that allow access to the exchange market for 40% of the maturity and the rest of the capital should be acquired through the issuance of new debt with an average life of 2 years.

2. Liquidity risk

The liquidity risk is related to the Group's capacity to finance its obligations and business plans with stable financing resources. It is also associated with the level of indebtedness and the maturity profile of loans.

The Group has credit facilities and holds, mainly, short term financial assets that can be easily converted into cash known beforehand. In addition, on January 21, 2022 the CNV approved the creation of an offering program in favor of SCC Power San Pedro S.A. (formerly SPI Energy S.A.) for a total of USD 200 M. As of December 31st, 2024, SCC Power San Pedro S.A. has principal debt equivalent to the amount of USD 143 M (Note 10 d) and has USD 57 M outstanding to incur in additional indebtedness.

NOTE 6 - FINANCIAL INSTRUMENTS - CLASSIFICATION AND RISK MANAGEMENT (cont.)

(b) Financial risk management (cont.)

2. Liquidity risk (cont.)

The table below includes an analysis of assets and liabilities of the Group by maturity. The amounts in the table are undiscounted contractual cash flows:

	Balances as of December 31, 2024				
	Up to 1 year	1-2 years	2-5 years	Over 5 years	Total
As of 12/31/2024					
Loans	63,362,779	63,196,137	509,483,491	295,347,966	931,390,373
Trade and other payables	24,562,960	7,999,399	2,957,035	-	35,519,394
Total liabilities	**87,925,739**	**71,195,536**	**512,440,526**	**295,347,966**	**966,909,767**

	Balances as of December 31, 2023				
	Up to 1 year	1-2 years	2-5 years	Over 5 years	Total
As of 12/31/2023					
Loans	35,817,942	79,128,258	545,781,284	322,827,923	983,555,407
Trade and other payables	48,852,080	21,927,495	3,118,741	-	73,898,316
Total liabilities	**84,670,022**	**101,055,753**	**548,900,025**	**322,827,923**	**1,057,453,723**

3. Credit risk

The credit risk is defined as the possibility that a third party be unable to meet its contractual obligations, generating losses to the Group.

The Group may face a credit risk related to the balance of trade receivables. Trade receivable balance comprises the value to be collected based on the agreements with CAMMESA for wholesale demand (Note 13).

At each reporting date, an entity shall assess whether the credit risk on a financial instrument has increased significantly.

On May 8th, 2024, the Energy Secretariat ("ES") published resolution 58, proposing the settlement of the outstanding debt held by CAMMESA related to the sales transactions of December 2023, January 2024 and February 2024 through the following mechanism:

- Outstanding amounts related to the December 2023 and January 2024 sales transactions, amounting to USD 15 million as of March 31st, 2024, would be settled through the delivery of equivalent nominal amounts of Argentine Law USD denominated Sovereign Bonds due 2038 (AE38).

- Outstanding amounts related to the February 2024 sales transaction, amounting to USD 7.8 million, would be paid in cash by CAMMESA after the execution of the settlement agreement.

On May 23rd, 2024, the Argentinian subsidiaries, both SCC Power Argentina and SCC Power San Pedro, have accepted the proposed settlement from CAMMESA. Pursuant to the terms of the agreement, the AE38 Sovereign Bonds were delivered by CAMMESA 10 days following the execution of the agreement. The trade receivables affected by this transaction have been impaired considering the exchange rate effect and the bond's market value, the adjustment amounted to USD 4,866,898, the related figures have been recorded in line "Impairment loss on trade receivables" of the Consolidated Statement of Comprehensive Income. During July 2024, the Company sold the related bonds.

NOTE 6 - FINANCIAL INSTRUMENTS - CLASSIFICATION AND RISK MANAGEMENT (cont.)

(b) Financial risk management (cont.)

3. Credit risk (cont.)

As of December 31, 2024, the outstanding balance of CAMMESA receivables amounts to USD 20,910,879 and includes USD 11,001,519 which are related to the sales transactions of November 2024 and USD 9,909,360 which are related to the sales transactions of December 2024 both transactions were not overdue. As of the date of the issuance of these Consolidated Financial Statements the outstanding balance were 100% collected.

SCC Power Argentina and SCC Power San Pedro have determined that the expected credit loss related to these balances is not material considering the Consolidated Statement of Financial Position as a whole and therefore it has not recorded a provision for this.

NOTE 7 - BREAKDOWN OF THE MAIN ACCOUNT BALANCES OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Other assets	12/31/2024	12/31/2023
Non current		
Other credits with Parent Company	74,946	-
Non-financial assets	-	609,949
Other prepayments (Note 13 e)	1,483,333	2,803,333
Total	1,558,279	3,413,282
Current		
Insurance costs paid in advance	26,620	89,291
Advances to suppliers	5,458,769	17,623,603
Leases paid in advance	381,530	390,454
Other credits	2,500,000	6,500,000
Other prepayments (Note 13 e)	1,320,000	1,220,000
Total	9,686,919	25,823,348

(b) Tax assets	12/31/2024	12/31/2023
Non current		
Turnover tax - advance payment	-	31,664
Valued added tax	-	40,476
Withholding income tax	1,250,979	8,773,275
Total	1,250,979	8,845,415
Current		
Valued added tax	5,075,174	15,881,609
Other tax assets	3,036,509	1,976,169
Total	8,111,683	17,857,778

(c) Cash and cash equivalents		
Cash	284	306
Banks	786,178	34,772,797
Short-term investments (1)	36,120,342	7,338,021
Total	36,906,804	42,111,124

(1) As of December 31, 2024, and December 31, 2023, includes USD 24.793.574 and USD 14.688.616, respectively, restricted.

NOTE 7 - BREAKDOWN OF THE MAIN ACCOUNT BALANCES OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(d) Investments

Financial credits with banks (Note 2.5) (2)	-	20,070,626
Short-term investments	2,500,000	6,236,450
Total	2,500,000	26,307,076

(e) Trade receivables

Account receivables	11,001,519	12,142,993
Unbilled receivables	9,909,360	7,724,740
Total	20,910,879	19,867,733

(f) Trade and other payables

Non current		
Fines imposed by CAMMESA (Note 13)	10,956,434	24,197,237
Total	10,956,434	24,197,237
Current		
Trade payables (3)	6,921,182	28,165,646
Accrued liabilities	4,398,488	6,736,983
Fines imposed by CAMMESA (Note 13)	13,243,290	13,414,976
Total	24,562,960	48,317,605

(g) Loans and borrowings	12/31/2024	12/31/2023
Non current		
Local secured notes (Note 10 d)	124,821,411	138,375,616
Senior secured notes (Notes 10 a, b and c)	551,102,852	537,129,299
Total	675,924,263	675,504,915
Current		
Short-term loans (Note 10 e) (4)	-	20,070,626
Local secured notes (Note 10 d)	18,183,321	9,112,816
Senior secured notes (Notes 10 a, b and c)	1,627,250	1,599,872
Total	19,810,571	30,783,314

(2) On July 31st, 2024, SCC Power PLC collected the financial credits held with Eurobank for both Capital and Interest.

(3) As of December 31, 2024, and December 31, 2023, includes unpaid balances of Property, plant and equipment of USD 7,322,473 and USD 9,390,152, respectively.

(4) Loan secured by SCC Power PLC.

NOTE 8 - BREAKDOWN OF THE MAIN ACCOUNT BALANCES OF THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(a) Net finance costs

	12/31/2024 (12 months)	12/31/2023 (12 months)
8 (a.1) - Financial income		
Interest income	3,356,271	8,814,527
Total financial income	3,356,271	8,814,527
8 (a.2) - Financial expenses		
Interest expense for bank loans	(1,477,278)	(2,977,797)
Interest expense for trade payables	(637,948)	(2,062,552)
Interest expense for SCC Power PLC Senior Secured Notes	(36,407,151)	(35,392,968)
Interest expense for SCC Power San Pedro Local Secured Notes	(9,161,958)	(8,685,232)
Other Financial expenses	(6,795,174)	(6,162,918)
Total financial expenses	(54,479,509)	(55,281,467)
8 (a.3) - Other financial results		
Gain on disposal of short-term investments (*)	3,669,602	28,471,202
Change in fair value of investments	-	(5,729,053)
Result of changes in fair value of financial assets	4,126,646	(5,260,396)
Total Other financial results	7,796,248	17,481,753

(*) During the period ended December 31st, 2024 and 2023, the Company's Argentine subsidiaries acquired certain financial instruments in the U.S. market denominated in U.S. dollars. The fair value of these instruments in the Argentine market measured in Argentine pesos at the official exchange rate was higher than its quoted price in the U.S. market (in U.S dollars), resulting in a fair value gain.

NOTE 8 - BREAKDOWN OF THE MAIN ACCOUNT BALANCES OF THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (cont.)

(b) Expense by nature

Items	Cost of sales	General and administrative expenses	12/31/2024	Cost of sales	General and administrative expenses	12/31/2023
			(12 months)			(12 months)
Salaries and other personnel – related expenses	1,776,862	851,211	2,628,073	591,805	594,706	1,186,511
Operating expenses	14,918,438	-	14,918,438	17,492,011	-	17,492,011
Travel expenses	-	126,817	126,817	-	176,352	176,352
Bank expenses	-	103,243	103,243	-	446,797	446,797
Depreciation	30,152,164	116,894	30,269,058	23,320,450	82,567	23,403,017
Administrative Penalties	-	15,826	15,826	-	10,427	10,427
Professional Fees	753,125	5,629,156	6,382,281	716,812	4,590,594	5,307,406
Operating Penalties	904,302	-	904,302	1,406,913	-	1,406,913
Taxes, rates and contributions	-	1,653,250	1,653,250	-	2,395,996	2,395,996
Insurance	6,742,052	85,912	6,827,964	4,845,984	108,418	4,954,402
Other expenses	-	473,450	473,450	-	560,254	560,254
Total	55,246,943	9,055,759	64,302,702	48,373,975	8,966,111	57,340,086

NOTE 9 - BALANCES AND TRANSACTIONS WITH KEY MANAGEMENT
(Board of Directors)

During the period-end December 31st, 2024, key management received compensations in the total amount of USD 422,506 (USD 545,000 as of December 31st, 2023) which are considered short-term benefits and entail the only benefits granted to the Board of Directors. SCC Power PLC does not grant long-term benefits or share-based payments to its employees.

NOTE 10 - LOANS

(a) SCC Power Senior Secured First Lien Notes

On May 17th, 2022, the Company issued Secured First Lien Notes described as follows:

- Principal amount: USD 17,861,000.

- Maturity Date: December 31, 2028.

- Interest rate: 6 % per annum, paid quarterly in cash.

- Scheduled interest payment dates: September 15, December 15, March 15 and June 15 of each year and on the Maturity Date, beginning on September 15, 2022.

In connection with these Secured First Lien Notes, the Company has principal and interest debt outstanding equivalent to the amount of USD 17,909,125 (Note 7 g) as of December 31st, 2024 and December 31st, 2023.

NOTE 10 – LOANS (cont.)

(b) SCC Power Senior Secured Second Lien Notes

On May 17th, 2022, the Company issued Secured Second Lien Notes described as follows:

- Principal amount: USD 310,000,000.

- Maturity Date: December 31, 2028.

- Interest rate:
  For the first 24 months following the issue date:

  4% per annum, paid quarterly in cash; plus
  4% per annum, paid quarterly either in cash or in kind

  Thereafter, 8% per annum, paid quarterly in cash

- Scheduled interest payment dates: September 15, December 15, March 15 and June 15 of each year and on the Maturity Date, beginning on September 15, 2022.

In connection with these Secured Second Lien Notes, the Company has principal and interest debt outstanding equivalent to the amount of USD 336,879,949 and USD 331,261,646 (Note 7 g) as of December 31st, 2024 and December 31st, 2023 respectively.

(c) SCC Power Senior Secured Third Lien Notes

On May 17th, 2022, the Company issued Secured Third Lien Notes described as follows:

- Principal amount: USD 200,000,000.

- Maturity Date: May 17, 2032.

- Interest rate:
  For the first 24 months following the issue date: 4% per annum, paid quarterly in cash or in kind. Thereafter, 4% per annum, paid quarterly in cash.

- Scheduled interest payment dates: September 15, December 15, March 15 and June 15 of each year and on the Final Maturity Date, beginning on September 15,2022.

In connection with these Secured Third Lien Notes, the Company has principal and interest debt outstanding equivalent to the amount of USD 216,958,176 and USD 213,339,597 (Note 7 g) as of December 31st, 2024 and December 31st, 2023 respectively.

NOTE 10 – LOANS (cont.)

(c) SCC Power Senior Secured Third Lien Notes (cont.)

These Third Lien Notes have been netted by USD 19,017,148 and USD 23,781,197 (Note 7 g) as of December 31st, 2024 and December 31st, 2023 respectively, resulting from the fair value assessment of the Management Service Agreement compensation pursuant to IFRS 15 (see Note 13 e).

Amortization

There is no mandatory scheduled amortization for any of the Senior Secured Notes. The Secured Notes, however, shall be redeemed in accordance with an offshore excess cash sweep mechanism commencing on July 15, 2024, and on a quarterly basis thereafter on each October 15, January 15, April 15 and July 15. Based on the sweep mechanism, the Company will redeem Notes wherever its Consolidated unrestricted cash as of each quarter and is in excess of USD 15 million (or equivalent in Argentinian pesos).

Collateral

The Secured First, Second and Third Lien Notes are secured by a security interest in and first priority Lien on:

(i) Pursuant to the Security Agreement, the Pledge Agreements and the Depositary Agreement, substantially all assets of the Issuer and the Guarantors, including, without limitation:

1. all accounts receivable;
2. all equipment;
3. all insurance policies and proceeds thereof and all expropriation compensation;
4. all equity Interests of the Issuer and the Guarantors;
5. all general intangibles and rights in intellectual property necessary for the construction and operation of the Project;
6. all proceeds of the foregoing; and

(ii) Pursuant to the Argentine Guarantee Trust Agreement, the assignment of:

1. all of the Argentine Guarantors' rights to receive any amounts and credits under, with respect to and/or regarding, the power purchase agreement of the Plants;
2. all the rights, and (solely at such time as an Event of Default has occurred and is continuing) the obligations of the Argentine Guarantors under any current and future material project document;
3. the shares of each of the Argentine Guarantors, and any rights over such shares, including, but not limited to, the rights to receive dividends or any other economic benefits related thereto;
4. all moveable assets, registered and unregistered, tangible and intangible, used in connection with the Project, located in Argentina; and
5. all the know-how, rights, designs, patents, industrial models used in connection with the Project.

NOTE 10 - LOANS (cont.)

(d) SCC Power San Pedro Class I and II local secured notes

- SCC Power San Pedro Class I local secured notes denominated in USD becoming due after 48 months of the issue thereof with the following features:

  - Amount of the issue: USD 33,499,900.

  - Interest rate: 4% paid in semi-annual basis during the first 24 months after the issue, and on quarterly basis there after.

  - Option to capitalize: From the Issue and Settlement Date and up to the date on which 24 months have elapsed from the Issue and Settlement Date (inclusive), the Company may opt for fully or partially capitalize the interest accrued corresponding to the corresponding Interest Accrual Period.

  - Date of issue: June 27, 2022.

  - Maturity date: June 27, 2026.

  - Amortization: The capital will be payable in Argentinian Pesos at the Applicable Exchange Rate in 8 equal and consecutive quarterly instalments starting on September 27, 2024.

  - Covenants: This Local Secured Note include covenants related to compliance and default, which, among other things, commit the Company to: refrain from incurring certain encumbrances; not modify the corporate purpose; not sell certain assets, not make changes to the project documents; adhere to the committed project completion date; inform the holders of the Local Secured Note and the Trustee; preserve, renew, or maintain the business; keep all essential assets for business operations in working condition; procure insurance from solvent insurance companies; comply with all applicable laws and contracts; sell the energy generated by the project; maintain and renew the necessary authorizations and permits; and safeguard the rights of bondholders, the trustee, and the collateral agent.

  In connection with this Local Secured Note, the Company has principal and interest debt equivalent to the amount of USD 27,179,249 and USD 35,509,402 (Note 7 g) as of December 31st, 2024 and December 31st, 2023 respectively.

- SCC Power San Pedro Class II local secured notes denominated in USD becoming due after 48 months of the issue thereof with the following features:

  - Amount of the issue: USD 101,500,100.

  - Interest rate: 6.75% paid in semi-annual basis during the first 24 months after the issue, and on quarterly basis thereafter.

  - Option to capitalize: From the Issue and Settlement Date and up to the date on which 24 months have elapsed from the Issue and Settlement Date (inclusive), the Company may opt for fully or partially capitalize the interest accrued corresponding to the corresponding Interest Accrual Period.

  - Date of issue: June 27, 2022.

  - Maturity date: June 27, 2032.

NOTE 10 - LOANS (cont.)

(d) SCC Power San Pedro Class I and II local secured notes (cont.)

- Amortization: The capital will be payable in Argentinian Pesos at the Applicable Exchange Rate in 24 consecutive quarterly instalments starting on September 27, 2026.

- Covenants: This Local Secured Note include covenants related to compliance and default, which, among other things, commit the Company to: refrain from incurring certain encumbrances; not modify the corporate purpose; not sell certain assets, not make changes to the project documents; adhere to the committed project completion date; inform the holders of the Local Secured Note and the Trustee; preserve, renew, or maintain the business; keep all essential assets for business operations in working condition; procure insurance from solvent insurance companies; comply with all applicable laws and contracts; sell the energy generated by the project; maintain and renew the necessary authorizations and permits; and safeguard the rights of bondholders, the trustee, and the collateral agent.

In connection with this Local Secured Note, the Company has principal and interest debt equivalent to the amount of USD 115,825,483 and USD 111,979,030 (Note 7 g) as of December 31st, 2024 and December 31st, 2023 respectively.

(e) Short-term loans

The breakdown of loans with their related rate and maturity is as follows:

Class	Entity	Type	Currency	Nominal interest rate	Maturity	12/31/2024	12/31/2023
Financial	Banco Eurobank	Loan	USD	13%	2024	-	20,070,626
Total						-	20,070,626

On July 29th, 2024, SCC Power Argentina S.A. cancelled both capital and interest debt for financial loans held with Eurobank.

(f) Reconciliation required by IAS 7

Changes from financing cash flows and from non-cash items:

	12/31/2024	12/31/2023
Loans at beginning of the period	706,288,229	658,791,389
Cash flows from financing activities:		
Bank loans received	-	19,657,548
Payments of bank loans	(19,673,542)	(5,606,836)
Payments of interest on bank loans	(1,890,356)	(2,882,026)
Payment of interest on senior notes	(31,775,806)	(13,950,683)
Payments of amortization on SCC Power San Pedro local secured notes	(9,066,316)	-
Non-cash items changes:		
Interest, exchange rate difference and other financial costs accrued	51,852,625	50,278,837
Loans at period-end	695,734,834	706,288,229

NOTE 11 – PROPERTY, PLANT AND EQUIPMENT

2024	Work in progress	Land	Plant (4)	Turbines (4)	Software (3)	Tools, Machinery & Equipment (1) - (3)	Computer equipment and security equipments (1) – (3)	Furniture, fittings & Telephone facilities (1)	Vehicle (2)	Total
Cost										
Balance at January 1, 2024	170,599,861	4,142,309	233,480,971	366,833,082	15,638	71,521	500,331	194,692	68,622	775,907,027
Additions	22,005,789	6,027,855	7,177,526	1,621,199	732	346,179	134,782	23,225	29,745	37,367,032
Disposals	-	-	-	-	-	-	-	-	-	-
Transfers	(191,177,268)	-	112,655,514	78,521,754	-	-	-	-	-	-
Balance at December 31, 2024	**1,428,382**	**10,170,164**	**353,314,011**	**446,976,035**	**16,370**	**417,700**	**635,113**	**217,917**	**98,367**	**813,274,059**
Accumulated depreciation										
Balance at January 1, 2024	-	-	(55,853,418)	(87,321,139)	(3,492)	(1,198)	(222,826)	(82,359)	(68,239)	(143,552,671)
Depreciation charge	-	-	(13,200,297)	(16,901,191)	(1,575)	(32,552)	(105,814)	(21,298)	(6,331)	(30,269,058)
Balance at December 31, 2024	**-**	**-**	**(69,053,715)**	**(104,222,330)**	**(5,067)**	**(33,750)**	**(328,640)**	**(103,657)**	**(74,570)**	**(173,821,729)**
Net book value										
Balance at January 1, 2024	**170,599,861**	**4,142,309**	**177,627,553**	**279,511,943**	**12,146**	**70,323**	**277,505**	**112,333**	**383**	**632,354,356**
Balance at December 31, 2024	**1,428,382**	**10,170,164**	**284,260,296**	**342,753,705**	**11,303**	**383,950**	**306,473**	**114,260**	**23,797**	**639,452,330**

Reconciliation of carrying amounts:
(1) Estimated useful life: 10 years
(2) Estimated useful life: 5 years.
(3) Estimated useful life: 3 years.
(4) Estimated useful life: 25 years.

NOTE 11 – PROPERTY, PLANT AND EQUIPMENT (cont.)

2023	**Work in progress**	**Land**	**Plant (4)**	**Turbines (4)**	**Software (3)**	**Tools, Machinery & Equipment (1) - (3)**	**Computer equipment and security equipments (1) - (3)**	**Furniture, fittings & Telephone facilities (1)**	**Vehicle (2)**	**Total**
Cost										
Balance at January 1, 2023	94,686,870	4,142,309	232,840,021	351,569,858	12,512	-	310,951	163,680	68,622	683,794,823
Additions	77,404,264	-	505,987	13,906,914	3,126	71,521	189,380	31,012	-	92,112,204
Tranfers	(1,491,273)	-	134,963	1,356,310	-	-	-	-	-	-
Balance at December 31, 2023	**170,599,861**	**4,142,309**	**233,480,971**	**366,833,082**	**15,638**	**71,521**	**500,331**	**194,692**	**68,622**	**775,907,027**
Accumulated depreciation										
Balance at January 1, 2023	-	-	(46,621,502)	(73,271,215)	(2,041)	-	(138,561)	(63,960)	(52,375)	(120,149,654)
Depreciation charge	-	-	(9,231,916)	(14,049,924)	(1,451)	(1,198)	(84,265)	(18,399)	(15,864)	(23,403,017)
Balance at December 31, 2023	**-**	**-**	**(55,853,418)**	**(87,321,139)**	**(3,492)**	**(1,198)**	**(222,826)**	**(82,359)**	**(68,239)**	**(143,552,671)**
Net book value										
Balance at January 1, 2023	**94,686,870**	**4,142,309**	**186,218,519**	**278,298,643**	**10,471**	**-**	**172,390**	**99,720**	**16,247**	**563,645,169**
Balance at December 31, 2023	**170,599,861**	**4,142,309**	**177,627,553**	**279,511,943**	**12,146**	**70,323**	**277,505**	**112,333**	**383**	**632,354,356**

Reconciliation of carrying amounts:
(1) Estimated useful life: 10 years
(2) Estimated useful life: 5 years.
(3) Estimated useful life: 3 years.
(4) Estimated useful life: 25 years.

NOTE 12 - CAPITAL

	USD 2024	Quantity of Shares 2024
In issue at January 1	200,060,887	200,060,887
In issue at December 31- fully paid	200,060,887	200,060,887

As of December 31st, 2024, the Company's capital amounted to USD 200,060,887, represented by USD 60,887 ordinary shares and 200,000,000 preferred common stock shares, with a nominal value of USD 60,887 and USD 2,000, respectively. The holders of Ordinary Shares shall, in respect of any Ordinary Shares held by them, be entitled to have such number of votes as is equal to one (1) vote for each Ordinary Share held by such holder of Ordinary Shares on all matters. The holders of Preferred Shares shall, in respect of the Preferred Shares held by them, be entitled to attend general meetings of the Company but shall not be entitled to vote at such meetings and shall not constitute an eligible member in relation to any such proposed resolution. Nevertheless, the holders of Preferred Shares shall be entitled to a fixed, cumulative, preferential distribution at the rate of 3.50 per cent. per annum, and the directors may determine in their sole discretion if the Preferred Shares Distribution shall be (i) paid in cash, to the extent of distributable reserves and cash funds of the Company legally available to the Company for payment, or (ii) added to the Preferred Shares Liquidation Preference.

On a return of capital on a liquidation, dissolution or winding up of the Company or Deemed Liquidation Event, before any payment or distribution of the Company (whether capital, surplus or otherwise) shall be made to or set apart for the Ordinary Shares, holders of Preferred Shares shall be entitled to receive a liquidation preference equal to one Dollar (USD 1) per Preferred Share plus all accrued distributions that were not previously paid in cash, including the Preferred Shares Distribution, without any duplication thereof, as of the applicable date of payment.

NOTE 13 - CONTRACTUAL COMMITMENTS

Power Purchase Agreements (PPAs) with CAMMESA:

a) Simple cycle PPAs

In July 2016, SCC Power Argentina S.A. and SCC Power San Pedro S.A. were awarded pursuant to Resolution 21 auction, four US dollar denominated PPAs with CAMMESA, for a total contracted capacity of 686.5 MW. Under the terms of the PPAs, the four plants were required to complete construction and reach commercial operation by December 1st, 2017 and thereafter, sell under a take-or-pay contract the generation capacity to CAMMESA for a 10-year period.

The remuneration scheme of each PPA consists on: (i) a fixed U.S. dollar denominated price per MW month for the capacity availability (a penalty measured in U.S. dollars per hour may be imposed by CAMMESA for unscheduled unavailability of capacity) and (ii) a variable price per MW hour to cover operation and maintenance costs (such as salaries, administrative expenses and insurance) based on energy dispatched upon CAMMESA's request. Fuel to operate the plants, whether it's natural gas or diesel oil, is procured and supply by CAMMESA.

During February, April and May 2018, all four plants achieved commercial operation, effectively triggering the PPAs for 10 years up until December 1st, 2027.

Subject to the terms of the PPAs, Matheu, Las Palmas, Lujan and San Pedro plants didn't achieve commercial operation on or before their committed dates, resulting in penalties.

NOTE 13 - CONTRACTUAL COMMITMENTS (cont.)

Power Purchase Agreements (PPAs) with CAMMESA: (cont.)

a) Simple cycle PPA's (cont.)

On February 2020, CAMMESA imposed the late commercial operation penalty of the Matheu Plant for a total of USD 10,850,880 which was agreed to be collected in forty-eight (48) equal and consecutive monthly installments, applying an Annual Effective Rate (TEA) equivalent to 1.7% denominated in US dollars.

On May 2022, CAMMESA imposed the Las Palmas and the San Pedro plants late commercial operation penalties for USD 21,573,600 and USD 10,370,700 respectively. On September 2023, CAMMESA additionally imposed the Lujan plant late commercial operation penalties for USD 16,459,200. These penalties are being collected in forty-eight (48) equal and consecutive monthly installments since its applications, applying an Annual Effective Rate (TEA) equivalent to 1.7% denominated in US dollars.

Aggregate late commercial operation penalties amounted to USD 24,199,724 and USD 37,612,213 (Note 7 f) as of December 31st, 2024 and December 31st, 2023, respectively.

b) Combined cycle PPA

On November 2, 2017, pursuant to Resolution 287 auction, SCC Generation Argentina S.A. (former Araucaria Generation S.A.), an affiliated company incorporated in Argentina, was awarded an additional PPA (the "Additional PPA") with CAMMESA for an additional 105 MW to complete the expansion and conversion to combined cycle of the San Pedro plant. Under the terms of the PPAs, the combined cycle project was required to achieve commercial operation by November 1st, 2019, and thereafter, sell under a take-or-pay contract the generation capacity to CAMMESA for a 15-year period.

The expansion and conversion to combined cycle consists on the installation of an additional Siemens SGT-800 gas turbine, three heat recovery steam generators, a steam turbine, an aero-condenser and various other auxiliary components which will increase San Pedro plant installed capacity to 208.5 MW.

The combined cycle operation enhances energy efficiency by using the exhaust heat from the gas turbines to produce steam in three heat recovery steam generators that connected to the steam turbine generates more electricity with no additional fuel consumption.

The remuneration of the Additional PPA has substantially the same scheme and provisions as the Simple Cycle PPAs described in Note 13 a).

On September 25, 2019, SCC Generation Argentina S.A. (former Araucaria Generation S.A.) transferred all of its rights related to the Additional PPA to SCC Power San Pedro S.A.

Committed commercial operation ("COD") date of November 1, 2019, pursuant to Resolution 39/2022, has been extended to February 1, 2024. Due to force majeure events beyond the Company's control, the date of COD was delayed until March 12, 2024, date on which CAMMESA notified the Company about the commercial authorization of the San Pedro Thermal Power Plant to carry out commercial operations in the SADI (Sistema Eléctrico Interconectado Argentino).

NOTE 13 - CONTRACTUAL COMMITMENTS (cont.)

c) Service contract agreement with Siemens S.A. and Siemens Industrial Turbomachinery AB

SEILP entered into a long-term service contract with Siemens S.A. (manufacturer of the turbines and equipment set up at the Plants) and Siemens Industrial Turbomachinery AB in order to guarantee availability and compliance with the Wholesale Demand Agreements mentioned above, by providing maintenance services, spare parts and remote monitoring system.

On September 22, 2023, SCC Power San Pedro S.A. and SCC Power Argentina entered into an agreement with Siemens for the early termination of the Operation & Maintenance contracts of San Pedro and Las Palmas plants, the total amount for the agreement and other items included in the scope of the negotiation was US$ 6,809,319 registered in the Consolidated Statement of Comprehensive Income in line Other income and expenses.

As of October 1, 2023, SCC Power San Pedro S.A. and SCC Power Argentina took over the operation of the San Pedro and the Las Palmas plant, respectively, with personnel included in the company's payroll.

d) Equipment, procurement, and construction ("EPC") turnkey contracts – Combined Cycle SCC Power San Pedro S.A.

In order to guarantee the works and supplies of the necessary equipment for the expansion and conversion of the simple cycle thermoelectric plant into a combined cycle, on May 31st, 2022, SCC Power San Pedro S.A., DVS Construcciones S.A. and DV Santos LLC implemented a contract for the provision of certain engineering, supply, construction, and equipment provision services (Engineering, Procurement and Construction, "EPC"), for a total amount of USD 98,142,288.

As of December 31st, 2024, there is no outstanding debt related to this contract. As of December 31st, 2023 SCC Power San Pedro owed USD 5,750,000.

Additionally, on July 20, 2022, SCC Power San Pedro S.A. and Siemens entered into a contract for the provision of the steam turbine and auxiliary equipment that will be installed in the thermoelectric plant which amounts to USD 14,400,000.

As of December 31st, 2024, there is no outstanding debt related to this contract. As of December 31st, 2023 SCC Power San Pedro owed USD 455,000.

e) Management service agreement

SEILP has entered into a Management Service Agreement (the "MSA") with Agrouy S.A. and Bienkal S.A. (the "MSA providers") to receive among other services related to advice, planning and controlling the operational, financial and administrative tasks to be carried out by the entity.

As compensation, SCC Power PLC will pay USD 2,5 million in cash per year and, additionally, has issued, in favor of the MSA Providers, Third Lien Notes in the principal amount of USD 37,500,000 (the "Non-Cash Consideration"). The compensation will be effective for the next five years from May 17th, 2022 (the "Acquisition date").

According to IFRS 15 standard to determine the transaction price for contracts in which a customer promises consideration in a form other than cash, an entity shall measure the non-cash consideration (or promise of non-cash consideration) at fair value.

The Non-Cash Consideration fair value, determined at the acquisition date, amounted to USD 6,000,000 included in Note 7 (a) Other Prepayments (USD 2,803,333 and USD 4,023,333 as of December 31st, 2024 and December 31st, 2023, respectively). As a result, the Non-Cash Consideration has been adjusted accordingly (Note 10 c).

NOTE 14 - EBITDA RECONCILIATION WITH NET INCOME - UNAUDITED

Management has presented the performance measure EBITDA because it believes that this measure is relevant to an understanding of the financial performance. EBITDA is calculated by adding back to net profit for the period: (i) net finance costs, (ii) income tax expense and (iii) depreciation and amortization expense, and (iv) non-recurrent settlement gains and others.

EBITDA is not a defined performance measure in IFRS Standards. The definitions of EBITDA may not be comparable with similarly titled performance measures and disclosures by other entities.

a) For the twelve-month period ended December 31st, 2024 and 2023 as follows:

	12.31.2024	**12.31.2023**
Net loss for the period	(70,770,746)	(54,695,976)
Net finance costs	48,210,318	99,095,191
Income tax expense	63,523,796	(17,413,933)
Depreciation and amortization	30,269,058	23,403,017
Non-recurrent settlement gains and others	4,574,265	19,056,805
EBITDA	75,806,691	69,445,104

NOTE 15 - SUBSEQUENT EVENTS

Merger of local entities of the Group

On March 14, 2025, the shareholders of the Argentinian Entities of the Group (Note 1), gathered in Ordinary and Extraordinary General Assembly, resolved to approve the merger by which SCC Power San Pedro S.A. absorbed SCC Power Argentina S.A., SCC Power Generation S.A., and SCC Generation Argentina S.A. (companies from the same economic group, hereinafter referred to as "the Absorbed Companies" and, collectively with the Company, "the Parties").

The Parties state that the purpose of the merger is to achieve operational and business efficiency, as well as a corporate structure more conducive to the development of operational synergies, through a single company to manage the operations. According to the "Prior merger commitment" approved by the Boards of Directors of the Parties on March 14, 2025, it was agreed that no exchange ratio of shares will be required. The entities merged under common control, and as such, the net assets were incorporated at book value.

No other events or transactions have occurred from period-end to the date of issuance of these Consolidated Financial Statements that would have a material effect on the financial position of the Group or the results of its operations as of period-end December 31st, 2024.

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Consolidated Financial Statements for the twelve-month period ended December 31st, 2024.

Sofía Scalella

Chairwoman