

YPF
LUZ



Los Teros Wind Farm
Azul, Buenos Aires Province

EARNINGS RELEASE
2nd Quarter 2021

YPF Luz reached an EBITDA of US\$ 153 million in 6M21, 55.6% higher than in 6M20

Buenos Aires, August 9, 2021 - YPF Energía Eléctrica S.A. (YPF Luz), an Argentine leading electric power generation company, announced today its results for the second quarter of 2021, ended June 30, 2021.

Main Figures

Financial and Operational Performance ¹ (unaudited figures)						
	2Q21	2Q20	Chg %	6M21	6M20	Chg %
Revenues (k USD)	112,159	69,836	60.6%	210,602	142,361	47.9%
Adj. EBITDA (k USD) ²	77,587	46,758	65.9%	149,917	99,299	51.0%
EBITDA (k USD)	79,845	47,033	69.8%	152,884	98,231	55.6%
EBITDA Margin (%)	71.2%	67.3%	5.7%	72.6%	69.0%	5.2%
Net Income (k USD)	1,473	13,470	(89.1)%	19,910	37,773	(47.3)%
Investments (k USD)	30,616	49,393	(38.0)%	103,073	172,923	(40.4)%
Installed Capacity EoP ³ (MW)	2,360	1,838	28.4%	2,360	1,838	28.4%
Energy Sold (GWh) ⁴	2,350	1,759	33.6%	4,764	3,498	36.2%
Thermal Energy	2,053	1,632	25.8%	4,235	3,242	30.6%
Renewable Energy	297	127	134.2%	529	256	106.8%
Steam Production (k tons)	555	437	26.9%	1,169	855	36.6%
Availability Commercial Factor Thermal Energy	76.7%	89.8%	(14.6)%	79.2%	86.9%	(8.9)%
Capacity Factor Renewable Energy ⁵	56.7%	60.2%	(5.7)%	52.9%	60.3%	(12.2)%

1. Argentine pesos have been converted to U.S. dollars considering the average exchange rate for each quarter, according to the average closing exchange rate quoted by Banco Nación: 1Q20: 61.3 ARS/USD; 2Q20: 67.5 ARS/USD; 1Q21: 88.6 ARS/USD; 2Q21: 93.9 ARS/USD.

2. Reconciliation of adjusted EBITDA is included in page 6 of this report.

3. It includes a 30% indirect interest in CDS and 0.14%, 0.13% and 1.92% indirect interests in CTMB, CTSM, and VOSA, respectively.

4. It does not include energy sold in CDS.

5. Weighted by wind farms' installed capacity (MW).

- Total energy sold was 4,764 GWh, 36.2% higher than in 6M20.
- Sales of steam in 6M21 increased by 36.6% compared to 6M20, totaling 1,169 thousand tons.
- Sales of renewable energy totaled 529 GWh, 106.8% higher than in the previous year.
- Sales amounted to US\$ 210.6 million, 47.9% higher than in 6M20.
- In 6M21, our EBITDA was US\$ 152.9 million, 55.6% higher than in the previous year.
- At the closing of 2Q21, our installed capacity reached 2,360 MW, 28.4% higher than in 2Q20.

CONFERENCE CALL 2Q21

Conference Call

August 10, 2021, 10 a.m. (US EST) | 11 a.m. (BA)

From Argentina: +5411 3984-5677

From USA: +1 (844) 204-8586

From other countries: +1 (412) 317-6346

Conference ID: YPF LUZ

Webcast: <https://bit.ly/3zCe0W2>

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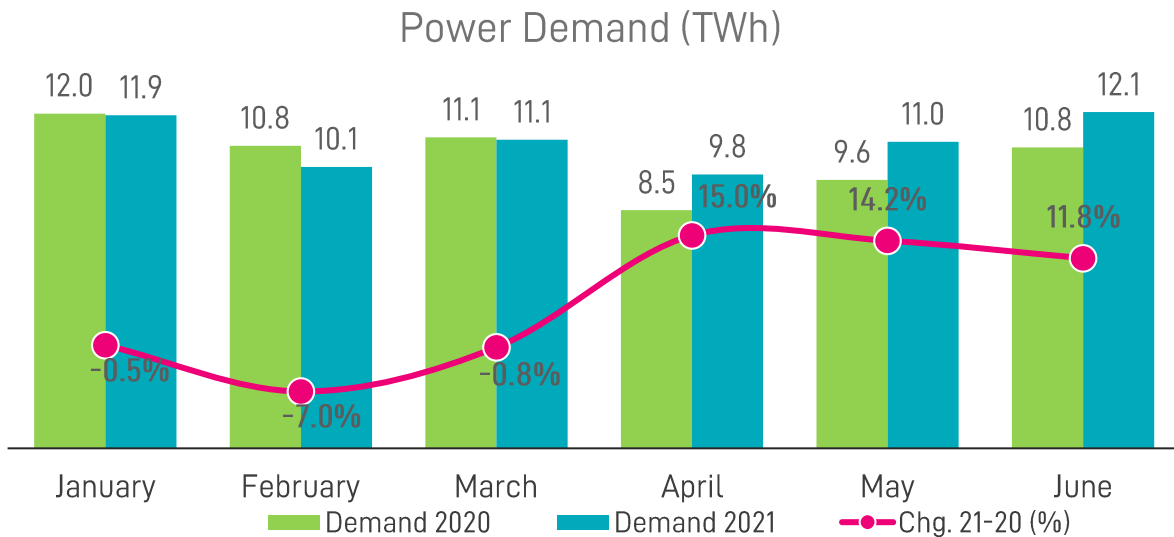
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Argentine Electricity Market Scenario

During 6M21, electric power demand reached 65,928 GWh¹. This accounted for a 4.8% increase vs. the same period of 2020 (62,919 GWh). The growth occurred mainly in 2Q21 (+13.5% vs. 2Q20), mainly due to the rebound in commercial and industrial activity as compared to the start of the Covid-19 pandemic, when these activities had been constrained due to the restrictions resulting from the mandatory lockdown. Moreover, lower temperatures in June 2021 resulted in an increase in residential demand.



Source: CAMMESA

On the one hand, demand for distribution, that includes Large Distribution Users (GUDIs), which accounted for 82% of the total system's demand in the second quarter of 2021, grew 10.3% in 2Q21 vis-à-vis 2Q20 (+2.6% in 6M21 vs. 6M20). This is explained by an increase in the three demand segments (residential, commercial, and large distribution users) as compared to 2Q20. Residential demand (14,983 GWh) grew 6% (+0.7% in 6M21 vs. 6M20), underpinned by lower temperatures and lower rates in terms of dollars². Commercial demand (8,773 GWh) grew 13.7% as compared to 2Q20 (+2.7% in 6M21 vs. 6M20), with almost identical volumes as in the second quarter of 2019. Demand from large distribution users (3,228 GWh) grew 23.6% vis-à-vis 2Q20, and 1% as compared to 2Q19 (+11.8% in 6M21 vs. 6M20), thus reflecting a slight recovery in economic activity.

On the other hand, WEM large users (GUMAs and GUMEs), who accounted for 18% of total demand, recorded a 31.4% increase in consumption in 2Q21 as compared to 2Q20 (+16.5% in 6M21 vs. 6M20) as a result of the recovery of certain industries as compared to the second quarter of 2020, and in some cases such as the metallurgic, construction and car industries, such recovery is also observed relative to the same period of 2019.

As of June 30, 2021, Argentina had an installed capacity of 42,453 MW, an increase of 5.6% in the last rolling year. 59.6% of the installed capacity derives from thermal power plants; 25.5% from hydroelectric plants; 4.1% from nuclear power plants; and 10.8% from non-conventional renewable energies (which grew 46.8% as compared to June 30, 2020).

During 2021, 569 MW were added to the system from renewable sources (546 MW from wind power; 22 MW from biogas; 1 MW from solar power, and 0.5 from small hydroelectric projects, related to projects awarded as a result of tenders under the RenovAr program and agreements entered into within the Argentine Renewable Energy Term Market) and 3 MW from repowering of a gas turbine³. On the other hand, 71 MW from inefficient thermal power plants (diesel generators, gas and steam turbines) were discontinued.

¹ According to CAMMESA's most recent information available, published on July 19, 2021. This information is not final and will be revised in the next months.

² Rates have remained fixed since April 2019 at the values set forth in Resolution SEE 14/2019.

³ Moreover, 22.6 MW from the Manantiales Behr engines were added in April 2021.

In 6M21, generation grew 5.6% as compared to the same period of the previous year, reaching 69,212 GWh. During 2Q21, generation grew 12.3% as compared to 2Q20, reaching 33,879 GWh. The higher increase in generation was mainly due to the growth of exports and the decrease in imports as compared to the first six months of 2020, mainly in the first quarter, due to the drought in southern Brazil, resulting in higher energy volumes being exported to this neighboring country.

Energy supply for 6M21 was completed by importing 288.1 GWh (39.2 GWh from Brazil, 71.0 GWh from Paraguay due to requirements from the Province of Misiones, and 177.9 GWh from Uruguay), implying a 24.4% reduction in imports as compared to 6M20. In addition, 1,191.8 GWh were exported (1,140.8 GWh to Brazil and 50.9 GW to Uruguay), accounting for a 138% increase in exported amounts as compared to 6M20. These exports have led to a positive balance in CAMMESA's accounts of USD 73 million.

Thermal generation and hydroelectric generation continued to be the major sources of energy used to meet demand in 6M21, accounting for 65.1% and 17.3%. However, hydroelectric generation fell 15.6% vs. 2Q20. The low flow of the Paraná river contracted Yacretá's generation by 11.2% as compared to 6M20, whereas the higher flow of the Uruguay river resulted in a 22.3% increase in Salto Grande's generation as compared to 6M20. Moreover, the shutdown of Futaleufú and the low level of the reservoirs in the Comahue river also impacted in the drop in hydroelectric generation.

Nuclear power accounted for 6.1% of total generation in 6M21, i.e., a 22.3% fall as compared to 6M21, mainly due to the fact that Embalse was down for maintenance in April and part of May 2021, and Atucha II was under maintenance until mid March (since October 2020). NCREs accounted for 11.5% of the output, with generated energy increasing by 45.8% as compared to 6M20.

Wind generation is the main source of NCREs in Argentina (74.8%), followed by solar power (11.3%), biofuels (6.0%), and renewable hydroelectric power (7.9%). The capacity factor for each technology was 45.6% for wind power, 24.8% for solar power, 28.2% for renewable hydroelectric power, and 90.9% for biofuels.

Natural gas continued to be the main fuel used for thermal generation, accounting for 81.2% of the thermal plants' total fuel consumption in 6M21 (71.3% in 2Q21). Consumption reached 8,028 MMm³ or 44.4 MMm³/d, 5.3% lower than in the same period of the previous year (a 4.7% fall in 2Q21 vs. 2Q20). Generation was supplemented by an average consumption of 10.3 MMm³ of gas equivalent from liquid fuels and coal (in 6M20, average consumption of liquid fuels and coal had been 2.1 MMm³ of gas equivalent).

As a result, the mean generation cost in 6M21 was 66.73 USD/MWh⁴, a 14.3% increase or 8.4 USD/MWh compared to the cost in the same period of the previous year.

In 1Q21, the seasonal price (which contemplates the rates applicable to residential and commercial users supplied by distributors, with demands of less than 300 kW), which has been fixed since April 2019 at the values set forth in Resolution SEE 14/2019, hit record lows in US dollars in 2Q21, averaging 19.8 USD/MWh and 22.6 USD/MWh for residential and non-residential demand, respectively (an average price weighted by demand of 21 USD/MWh). In 6M21, these amounts reached 20.4 USD/MWh for residential demand and 23.2 USD/MWh for non-residential demand. As a result, the level of subsidies for this demand was approximately 72% during the quarter (48.6% in 2Q20) and 66.7% for 6M21 (47.4% in 6M20).

In the case of GUDIs, the price was approximately 59.4 USD/MWh, which implied a subsidy of 20.1% for 2Q21. The subsidy's percentage fell only 1.1% compared to 2Q20 since, although GUDI's rates increased by 35% since the entry in effect of Resolution SE 131/2021, the system's mean cost also rose (33.9%).

Total subsidies for electricity (excluding transmission) accounted for 61.5% of the system's cost in 2Q21, totaling approximately USD 1,530 million⁵ and 68.3% of the total cost in 6M21. Cumulative subsidies in 2021 amounted to USD 2,544 million, an increase of 65.3% vis-à-vis the same period of the previous year.

⁴ Monthly mean price weighted by demand in each month of the quarter. Mean cost does not include transmission costs.

⁵ Company's estimates based on CAMMESA's information published on July 19, 2021. The margin resulting from power exports is not included.

Regulatory update:

Resolution SE 440/2021

On May 21, 2021, the Secretary of Energy published Resolution SE440/2021, which updated the remuneration of electric power facilities that are not subject to contracts.

The main differences from Resolution SE 31/2020 include:

- All remuneration items have been increased by 29%. This increase applies to all economic transactions made from February 2021 onwards.
- Exhibit VI, which included a monthly rate increase formula, was deleted.
- Generators are required to abandon (through a note delivered to CAMMESA) any administrative or judicial claims pending in connection with rate increases, and to waive any future administrative or judicial claims grounded on Section 2 of Resolution 31/2020 (Exhibit VI).
- If the above mentioned note is not submitted within 30 days after the resolution has been published, or until such submission is made, the values in effect prior to the new regulation will continue to apply. In addition, the retroactive re-settlement to February 2021 will not apply.
- CAMMESA is instructed to re-settle transactions made from and including February 2021 through April 2021 applying the new values set forth under the resolution.

Resolution SE 551/2021

Under the scope of the Renewable Energy Term Market (MATER) there are various projects under execution which have been assigned dispatch priority but have experienced significant delays or no progress at all. Therefore, the new Resolution introduces measures aimed at encouraging completion of projects that have not achieved commissioning and withdrawing their dispatch priority, so as to allow this transmission capacity to be assigned to other projects.

Consequently, the regulations and management of dispatch priorities already assigned and to be assigned in the future were restructured, and the bond requirement criterion was revised. Generators with dispatch priority already assigned under the MATER whose projects have achieved commercial operation or are under construction may opt to adhere to the conditions set forth in Resolution SE 551/2020.

EBITDA

EBITDA by asset¹ (unaudited figures)

(In thousand USD)	2Q21	2Q20	Chg %	6M21	6M20	Chg %
Tucumán Complex	6,729	15,012	(55.2)%	14,606	28,952	(49.6)%
El Bracho GT + ST	36,383	14,839	145.2%	76,115	30,526	149.3%
Loma Campana Este	196	68	187.1%	356	441	(19.3)%
Loma Campana I	2,166	753	187.9%	2,548	6,416	(60.3)%
Loma Campana II	6,622	7,517	(11.9)%	11,342	16,537	(31.4)%
La Plata Cogeneración I	4,768	3,615	31.9%	8,542	9,013	(5.2)%
La Plata Cogeneración II	9,384	-	n.a.	15,565	-	n.a.
Manantiales Behr Engines	1,612	-	n.a.	3,591	-	n.a.
Manantiales Behr WF	8,945	8,289	7.9%	15,964	15,677	1.8%
Los Teros WF	9,288	-	n.a.	15,210	-	n.a.
Subtotal	86,093	50,092	71.9%	163,839	107,561	52.3%
Corporate & eliminations ²	(6,248)	(3,059)	104.3%	(10,955)	(9,330)	17.4%
Total	79,845	47,033	69.8%	152,884	98,231	55.6%

1. Argentine pesos have been converted to U.S. dollars considering the average exchange rate for each quarter, according to the average closing exchange rate quoted by Banco Nación: 1Q20: 61.3 ARS/USD; 2Q2020: 67.5 ARS/USD; 1Q21: 88.6 ARS/USD; 2Q21: 93.9 ARS/USD.

2 It includes corporate expenses.

The Company's total sales amounted to USD 210.6 million in 6M21, up by 47.9% as compared to 6M20. This is explained by the start of operations of the new projects whose COD occurred from 4Q20 onwards, partially offset by: (i) lower revenues in terms of dollars from sales of base energy due to the effect of the devaluation; (ii) the unavailability of Loma Campana I and II due to operating failures; and (iii) lower availability and volume of energy sales in the Tucumán Generation Complex, mainly in the San Miguel de Tucumán plant, due to the scheduled maintenance that was carried out throughout the whole 2Q21.

Operating costs (excluding depreciation and fuel expenses, which are recognized in sales, thus generating zero net results in the Company's income) increased 13.2% in 6M21 as compared to 6M20, mainly due to: (i) higher salaries and social security expenses; (ii) an increase in maintenance and materials costs; (iii) higher insurance expenses; and (iv) lower tax expenses. This increase in operating costs is largely explained by the increase in activity due to the start of operations of new assets.

Therefore, the Company's EBITDA reached USD 152.9 million in 6M21, 55.6% higher than in 6M20.

The Tucumán Generation Complex saw a 49.6% EBITDA reduction in 6M21 as compared to the same period in the previous year, caused by lower availability and less energy sold, mainly explained by the scheduled maintenance of the San Miguel de Tucumán plant along with the impact of the devaluation that outpaced the inflation adjustment contemplated by the Base Energy's new rate scheme. In addition, higher operating costs than the previous year were recorded.

El Bracho thermal plant increased its EBITDA by 149.3% or USD 45.6 million in 6M21 relative to 6M20, mainly due to the start of operations of the new steam turbine in 4Q20, which increased dispatch from the gas turbine. In addition, in 6M21 insurance proceeds were collected as a result of the delay in the start of commercial operations related to the closing of cycle of the plant caused by the sinking of the vessel that carried supplies for the plant in an amount of USD 7.2 million.

Loma Campana Este reduced its EBITDA by 19.3% in 6M21 as compared to the previous year, as a result of the lower remuneration for capacity, partially offset by lower maintenance costs and higher real volumes delivered.

Loma Campana I had a 60.3% decrease in EBITDA during 6M21, explained by a failure in the super-core unit that kept the plant out of service for approximately 4 months during the semester, along with the fact that in 6M20 a penalty had been recognized from the turbine supplier due to the failures recorded in 2018 and 2019.

Loma Campana II saw its EBITDA decrease by 31.4%. The failure that kept the plant out of service until January 24, in addition to the lower dispatch motivated by the market conditions, adversely affected this semester's results. Moreover, in 1Q20 a penalty had been recognized from the turbine supplier due to the failures recorded in 2018 and 2019.

La Plata Cogeneration I reduced its EBITDA by 5.2% during 6M21 as compared to 6M20, as a result of the impact of the devaluation on sales of Base Energy, along with lower availability, and lower sales of energy and steam due to pending assays in LPC II and steam requirements from YPF's refinery. On the other hand, in 2Q21 its EBITDA was 31.9% higher than in 2Q20, explained by lower operating costs and higher interest from CAMMESA.

The Manantiales Behr Wind Farm had an EBITDA of USD 16 million in 6M21, 1.8% higher than in 6M20. Although its capacity factor was 5.1% lower than in 6M20, this was offset by the sale of carbon credits and lower costs.

In 6M21, the new projects of La Plata Cogeneration II, Manantiales Behr Generators and Los Teros I Wind Farm contributed USD 34.4 million to EBITDA.

Reconciliation of adjusted EBITDA¹ (unaudited figures)

	2Q21	2Q20	Chg %	6M21	6M20	Chg %
EBITDA	79,845	47,033	69.8%	152,884	98,231	55.6%
Income from equity interest in joint ventures	(2,258)	(275)	721.1%	(2,967)	1,068	n.a.
Adjusted EBITDA	77,587	46,758	65.9%	149,917	99,299	51.0%

¹. Argentine pesos have been converted to U.S. dollars considering the average exchange rate for each quarter, according to the average closing exchange rate quoted by Banco Nación: 1Q20: 61.3 ARS/USD; 2Q2020: 67.5 ARS/USD; 1Q21: 88.6 ARS/USD; 2Q21: 93.9 ARS/USD.

Operations and Sales

The following table shows the Company's total installed capacity and broken down by plant:

Installed Capacity (MW) (unaudited figures)			
	2Q21	2Q20	Chg %
Central Tucumán	447	447	-
San Miguel de Tucumán	382	382	-
El Bracho GT	274	274	-
El Bracho ST	199	-	n.a.
Loma Campana Este	17	17	-
Loma Campana I	105	105	-
Loma Campana II	107	107	-
La Plata Cogeneración I	128	128	-
La Plata Cogeneración II	90	-	n.a.
Motores Manantiales Behr	58	-	n.a.
Central Dock Sud ¹	279	279	-
Total Thermal Energy	2,086	1,739	20.0%
Manantiales Behr WF	99	99	-
Los Teros I WF	123	-	n.a.
Los Teros II WF	52	-	n.a.
Total Renewable Energy	274	99	176.8%
Total	2,360	1,838	28.4%

¹ It includes a 30% indirect interest in CDS and 0.14%, 0.13% and 1.92% indirect interests in CTMB, CTSM, and VOSA, respectively.

The following two tables show the units sold per plant in GWh, MW-month and in thousands of tons of steam, as applicable:

Operational figures - Dispatch (unaudited figures)							
	Unit	2Q21	2Q20	Chg %	6M21	6M20	Chg %
Central Tucumán	GWh	625.1	742.0	(15.8)%	1,144.2	1,386.0	(17.4)%
San Miguel de Tucumán	GWh	1.4	479.2	(99.7)%	380.2	848.7	(55.2)%
El Bracho GT	GWh	537.3	7.1	7437.4%	1,049.4	51.1	1953.3%
El Bracho ST	GWh	368.0	-	n.a.	735.5	-	n.a.
Loma Campana Este	GWh	12.0	9.5	27.0%	21.9	20.3	8.0%
Loma Campana I	GWh	99.2	73.8	34.5%	142.2	255.3	(44.3)%
Loma Campana II	GWh	10.8	93.4	(88.4)%	40.0	243.7	(83.6)%
La Plata Cogeneración I	GWh	201.2	227.5	(11.5)%	401.4	437.3	(8.2)%
	k Tn	366.5	437.3	(16.2)%	759.2	855.4	(11.3)%
La Plata Cogeneración II	GWh	148.5	-	n.a.	269.4	-	n.a.
	k Tn	188.6	-	n.a.	409.5	-	n.a.
Manantiales Behr Engines	GWh	49.7	-	n.a.	50.5	-	n.a.
Manatiales Behr Wind Farm	GWh	121.2	126.9	(4.5)%	239.2	256.1	(6.6)%
Los Teros Wind Farm	GWh	175.9	-	n.a.	290.2	-	n.a.
Total	GWh	2,350.4	1,759.3	33.6%	4,764.1	3,498.5	36.2%
	k Tn	555.1	437.3	26.9%	1,168.6	855.4	36.6%
Central Dock Sud	GWh	1,438.8	534.1	169.4%	2,591.2	1,872.9	38.4%

Operational figures - Power (unaudited figures)

	Unit	2Q21	2Q20	Chg %	6M21	6M20	Chg %
Central Tucumán ¹	MW-month	417.2	414.7	0.6%	379.2	407.1	(6.8)%
San Miguel de Tucumán	MW-month	110.9	351.8	(68.5)%	221.6	302.6	(26.8)%
El Bracho GT	MW-month	252.6	261.3	(3.3)%	248.9	257.6	(3.3)%
El Bracho ST	MW-month	191.6	-	n.a.	191.4	-	n.a.
Loma Campana Este	MW-month	5.0	12.0	(58.3)%	5.0	12.0	(58.3)%
Loma Campana I	MW-month	45.5	34.1	33.2%	32.4	59.1	(45.2)%
Loma Campana II	MW-month	97.3	104.8	(7.1)%	85.6	104.1	(17.7)%
La Plata Cogeneración I ³	MW-month	102.6	115.4	(11.1)%	100.5	108.7	(7.6)%
La Plata Cogeneración II	MW-month	79.1	-	n.a.	78.3	-	n.a.
Manantiales Behr Engines	MW-month	41.7	-	n.a.	37.6	-	n.a.
Total	MW-month	1,343.5	1,294.1	3.8%	1,380.5	1,251.1	10.3%
Central Dock Sud ⁴	MW-month	775.4	351.8	120.4%	711.1	533.3	33.3%

The following table shows the availability of thermal power by plant:

Commercial Availability Factor Thermal Energy¹ (%)

	2Q21	2Q20	Chg %	6M21	6M20	Chg %
Central Tucumán ³	93.3%	92.8%	0.6%	84.8%	91.1%	(6.8)%
San Miguel de Tucumán ³	29.0%	92.1%	(68.5)%	58.0%	79.2%	(26.8)%
El Bracho GT	96.7%	100.0%	(3.3)%	95.3%	98.6%	(3.3)%
El Bracho ST	96.8%	0.0%	n.a.	96.6%	0.0%	n.a.
Loma Campana Este	100.0%	100.0%	-	100.0%	100.0%	-
Loma Campana I	43.3%	32.5%	33.2%	30.8%	56.3%	(45.2)%
Loma Campana II	92.5%	99.6%	(7.1)%	81.4%	98.9%	(17.7)%
La Plata Cogeneración I ³	80.1%	90.2%	(11.1)%	78.5%	84.9%	(7.6)%
La Plata Cogeneración II	101.8%	0.0%	n.a.	104.7%	0.0%	n.a.
Manantiales Behr Engines	100.0%	0.0%	n.a.	100.0%	0.0%	n.a.
Total²	76.7%	89.8%	(14.6)%	79.2%	86.9%	(8.9)%
Central Dock Sud ³	89.2%	40.5%	120.4%	81.8%	61.3%	33.3%

1. Calculated as remunerated capacity/contracted capacity, except assets under the Base Energy remuneration scheme, which have been computed as remunerated capacity/installed capacity.

2. Weighted by total contracted capacity excluding CDS to the extent of the 30% interest held in it, Manantiales Behr Wind Farm and Los Teros I Wind Farm.

3. Does not include remunerated lost availability due to utilization factor.

4. The PPA's excess capacity over contracted capacity is sold under the Base Energy scheme.

The following two tables show a breakdown of sales by offtaker and percentage share:

Sales Breakdown by Offtaker ¹ (unaudited figures)						
(In thousand USD)	2Q21	2Q20	Chg %	6M21	6M20	Chg %
CAMMESA Res. N°440/21	14,485	20,630	(29.8)%	28,181	41,105	(31.4)%
CAMMESA Res. SGE 70/18	8,632	5,344	61.5%	15,685	10,875	44.2%
PPA with CAMMESA	53,271	26,204	103.3%	102,486	52,522	95.1%
PPA with YPF S.A.	24,381	14,388	69.5%	44,362	31,904	39.0%
PPA other privates	10,536	2,279	362.3%	17,898	4,503	297.5%
Subtotal	111,305	68,845	61.7%	208,612	140,909	48.0%
Other services revenues	854	991	(13.8)%	1,989	1,452	37.0%
Total	112,159	69,836	60.6%	210,601	142,361	47.9%

1. Argentine pesos have been converted to U.S. dollars considering the average exchange rate for each quarter, according to the average closing exchange rate quoted by Banco Nación: 1Q20: 61.3 ARS/USD; 2Q20: 67.5 ARS/USD; 1Q21: 88.6 ARS/USD; 2Q21: 93.9 ARS/USD.

Sales Breakdown by Offtaker (%) (unaudited figures)						
(In thousand USD)	2Q21	2Q20	Chg %	6M21	6M20	Chg %
CAMMESA Res. N°440/21	12.9%	29.5%	(56.3)%	13.4%	28.9%	(53.7)%
Gas recognition by CAMMESA	7.7%	7.7%	0.6%	7.4%	7.6%	(2.5)%
PPA with CAMMESA	47.5%	37.5%	26.6%	48.7%	36.9%	31.9%
PPA with YPF S.A.	21.7%	20.6%	5.5%	21.1%	22.4%	(6.0)%
PPA other privates	9.4%	3.3%	187.9%	8.5%	3.2%	168.7%
Subtotal	99.2%	98.6%	0.7%	99.1%	99.0%	0.1%
Other services revenues	0.8%	1.4%	(46.3)%	0.9%	1.0%	(7.4)%
Total	100.0%	100.0%	-	100.0%	100.0%	-

The following table shows the capacity factor and availability per wind farm:

Capacity Factor Renewable Energy (%) (unaudited figures)							
		2Q21	2Q20	Chg %	6M21	6M20	Chg %
Manatiales Behr Wind Farm	Capacity factor ¹	58.2%	60.2%	(3.3)%	57.2%	60.3%	(5.1)%
	Availability factor	96.8%	99.0%	(2.2)%	97.4%	99.2%	(1.8)%
Los Teros Wind Farm ²	Capacity factor ¹	55.9%	-	n.a.	50.5%	-	n.a.
	Availability factor	91.6%	-	n.a.	94.4%	-	n.a.

1. Corresponds to the generated energy.

2. It does not include the month of May for PELT II due to staggered addition of capacity during the month.

The following table shows the total installed capacity in the Argentine Renewable Energy Term Market (MATER), energy sold in the MATER and YPF Luz's market share in terms of installed capacity and energy sold:

Mercado a Término de Energía Renovable Argentino (MATER)						
	2Q21	2Q20	Chg %	6M21	6M20	Chg %
Total installed capacity in MATER (MW)	831	559	48.7%	831	559	48.7%
Total energy sold in MATER (GWh)	836	526	58.9%	1,573	1062	48.1%
YPF Luz Market share of installed capacity (%)	33%	18%	83.3%	33%	18%	83.3%
YPF Luz Market share of energy sold (%)	36%	24%	50.0%	34%	24%	41.7%

The Company's aggregate thermal generation commercial availability in 6M21 reached 78.8%, 9.3% lower than in 6M20.

The Tucumán Plant experienced a decline in commercial availability and energy sold of 6.8% and 17.4%, respectively, primarily attributable to scheduled maintenance in 1Q21 and less requirement from the system which affected the plant's dispatch. The San Miguel Plant also experienced a decline in commercial availability and energy sold of 26.8% and 55.2% respectively, primarily attributable to scheduled maintenance that spanned throughout 2Q21 and was completed in early July 2021.

El Bracho Thermal Plant significantly increased generation from 51 GWh in 6M20 to 1,785 GWh in 6M21, thanks to the start of operations of the ST, which naturally increased the facility's efficiency and thus favored dispatch. On the other hand, commercial availability of the GT decreased 3.3%, since longer operating hours led to a limitation in the GT's capacity based on the temperatures recorded on-site versus its stand-by condition.

As concerns Loma Campana Este, although its commercial availability remained in line with the figures recorded in the previous year, contracted capacity decreased due to the lower total demand from the Loma Campana joint venture. However, sales of energy increased 8% in 6M21, primarily as a result of higher effective demand from the joint venture vis-à-vis the previous year.

Regarding Loma Campana I Plant, it had a decrease in commercial availability and generation during 6M21 of 45.2% and 44.3%, respectively, due to a failure in its super-core that kept the equipment out of service for 80 days during 6M21. This was partially offset by an increase in both availability and generation in 2Q21 by 33.2% and 34.5%, respectively, attributable to a failure recorded in April 2020 that kept the equipment out of service until mid-June 2020.

Loma Campana II plant decreased its commercial availability and generation by 83.6% and 17.7%, respectively, due to a failure in its super-core that kept the equipment out of service for 24 days. In addition, market conditions relating to gas costs and quotas limited dispatch during most part of the semester.

La Plata Cogeneration I's availability was 7.6% lower than in 6M20, while also displaying a decrease in energy and steam sales of 8.2% and 11.3%, respectively. The decrease was motivated by constraints in the incoming feedwater used to produce steam during the period, which impacted on energy, availability, and production of steam, as supply in LPCII was prioritized due to the need to complete pending assays. In turn, during 2Q21 the plant was unavailable for 5 days due to maintenance activities, all in a context in which steam requirements from YPF's refinery were lower than expected.

Manantiales Behr Wind Farm showed a capacity factor of 57.2% in 6M21, 5.1% lower than in the previous year, resulting in a reduction of 8.6% in energy sold, as a result of a lower capacity factor and higher dispatch restrictions in the transmission grid to which the farm is connected, caused by new generation added in the area.

The Los Teros Wind Farm had a capacity factor of 50.1% in 6M21. YPF Luz's share in the MATER in terms of installed capacity reached 33% in 2Q21, a year-on-year increase of 83.3%. YPF Luz's market share in terms of energy sold in 2Q21 reached 36%, showcasing its better use of the natural resource and higher efficiency resulting from applying cutting-edge technology in our wind farms as compared to the average of the rest of the renewable energy farms in the country.

Central Dock Sud saw an increase in both commercial availability and energy sales of 33.3% and 38.4%, respectively, during 6M21 since the combined cycle underwent maintenance in 2Q20, followed by a failure in GT No. 9.

CAPEX

Projects Under Construction

Plant	Location	Installed Capacity (MW)	Offtaker	Technology	Commercial Operation Date (COD)	Estimated CAPEX (MM USD)	Completion ¹ (%)
Cañadón León	Santa Cruz Province	123	Private/ CMMESA	Wind	3Q21	\$ 164	95%

1. It refers to physical degree of progress as of July 2021.

Below is a detail of the activities developed during the second quarter of 2021 in connection with the construction of Cañadón León Wind Farm:

We commenced the commissioning of wind turbines and the pre-commissioning of high- and medium-voltage lines, and the 132 Kv switchyard. At the substation building, we are currently assembling and connecting protection, control and communication panels.

Indebtedness

Financial Debt¹ (unaudited figures)

(In thousand USD)	06.30.2021			03.31.2021			Chg. q/q		
	Corp. + Restr. Subs. (a)	Unrestr. Subs. (b)	Consolidated (c)	Corp. + Restr. Subs. (a)	Unrestr. Subs. (b)	Consolidated (c)	Chg. q/q (a)	Chg. q/q (b)	Chg. q/q (c)
Short Term ²	272,993	4,363	277,356	293,107	3,668	296,775	(6.9)%	18.9%	(6.5)%
Long Term ³	633,477	58,048	691,525	621,442	57,694	679,136	1.9%	0.6%	1.8%
Gross Debt	906,470	62,411	968,881	914,549	61,362	975,911	(0.9)%	1.7%	(0.7)%
Cash & Eq. ⁴	118,746	104	118,850	130,818	10,943	141,761	(9.2)%	(99.0)%	(16.2)%
Net Debt	787,724	62,307	850,031	783,731	50,419	834,150	0.5%	23.6%	1.9%
Adj. EBITDA LTM ⁵	281,250	(859)	280,391	250,330	(768)	249,562	12.4%	11.8%	12.4%
Net Debt/Adj. EBITDA LTM	2.80x ⁶	N/D	3.03x	3.13x ⁶	N/D	3.34x	(10.5)%	n.a.	(9.3)%

1. Argentine pesos have been converted to U.S. dollars considering the average exchange rate for each quarter, according to the average closing exchange rate quoted by Banco Nación: 03.31.2021: 91.9 ARS/USD; 06.30. 2021: 95.6 ARS/USD

2. Includes, as of March 31, 2021, USD k 671 and as of June 30, 2021, USD k 420 as other financial liabilities.

3. Includes, as of March 31, 2021, USD k 3 as other financial liabilities. Includes, as of March 31, 2021, USD k 2.365 and as of June 30, 2021 USD k 1.975 as lease liabilities (Note 16 to the financial statements).

4. Includes, as of March 31, 2021, USD k 3,908 and as of June 30, 2021 USD k 1,053 as other financial assets and trusts recorded under other receivables (Note 12 to the financial statements).

5. Argentine pesos have been converted to U.S. dollars considering the average exchange rate for each quarter, according to the average closing exchange rate quoted by Banco Nación: 2Q20: 67.5 ARS/USD; 3Q20: 73.2 ARS/USD; 4Q20: 80.2 ARS/USD; 1Q21: 88.6 ARS/USD; 2Q21: 93.9 ARS/USD.

6. It refers to the leverage ratio related to the notes.

At a consolidated level, cash and cash equivalents as of June 2021 decreased 16.2% as compared to the previous quarter. This is mainly explained by the repayment of principal and payment of interest, as well as the CAPEX payments incurred for purposes of completing projects under construction.

The net debt-to-adjusted EBITDA ratio experienced a 10.5% decrease from 3.13 in 1Q21 to 2.80 in 2Q21. This is due to an increase of 12.4% in adjusted EBITDA during the last 12 months.

Environmental, Social & Governance (ESG)

Environmental						
	2Q21	2Q20	Chg %	6M21	6M20	Chg %
YPF Luz Renewable Energy(GWh)	297	127	134.2%	529	256	106.8%
Renewable Energy/Total Energy ¹ (%)	12.6%	7.2%	75.3%	11.1%	7.3%	51.8%
Direct emissions GEI (tCO ₂ e) ²	903,596	737,492	22.5%	1,845,166	1,456,432	26.7%
Emission savings (tCO ₂) ³	147,989	91,208	62.3%	267,299	183,588	45.6%
Water extraction (k ton) ²	2,176	1,880	15.7%	5,046	3,237	55.9%
Total discharge of water effluent ¹	527	112	370.5%	1,246	218	471.6%
Waste (kg)	55,750	44,492	25.3%	106,399	96,654	10.1%

1. Does not include Central Dock Sud.

2. Data derived from APA report.

3. Data calculated with the US EPA agency taking into account electric power produced by the Manantiales Behr Wind Farm and Los Teros I Wind Farm in each period.

In connection with human resources management, in 2Q21 the new members of our Climate Committee held two meetings to discuss the results of the Climate 2020 Survey, and set out to work on new proposals. Employee training increased by over 36% compared to the same period in 2020.

Regarding the safety of our workers, this quarter there were no computable accidents with lost days. As a result of the COVID-19 situation, our Crisis Committee kept holding daily meetings to adopt timely decisions. We updated the coronavirus-related protocols and recommendations at home.

The Medical Service of YPF Luz delivered 17 disclosure and awareness talks. We continued using the app for follow-up and epidemiological recording of COVID at company level, and updated our corporate webpage and Intranet, including revised protocols, links, recommendations, and news. We launched a flu vaccination campaign across all sites and the Environment Month Campaign, including initiatives throughout June.

In 2Q21, we held 14 online and onsite meetings with community leaders to identify needs; delivered 2 training sessions on renewable energies, and discussed new ideas proposed by YPF Luz's volunteers to be carried out in communities nearby our sites. We made donations of supplies, sanitizers, facemasks, face shields and furniture for 5 institutions (3 schools and 2 healthcare institutions) located in the vicinity of our operations. Besides, we carried out an electrical review at El Bracho Hospital in Tucumán.

Social						
	2Q21	2Q20	Chg %	6M21	6M20	Chg %
Employee training hours	9,343	9,175	1.8%	16,470	12,042	36.8%
Accident Frequency Index ¹	-	-	n.a	0.41	-	n.a.
Volunteer hours	21	n.a	n.a.	29	58	(50.0)%

1. Accident frequency Index=(computable accidents by work days lost x 10⁶)/man hours worked

Governance

In 2Q21, we set out to test the Company's Risk and Control Matrix in order to verify its design and effectiveness. We also continued conforming all supporting documents in order to ensure traceability, backup and integrity of our processes, and started a review of critical processes, along with their associated flow charts and controls. We continued providing training on Level 2 Corruption Prevention, with focus on compliance with applicable laws and the Company's prevention measures. In addition, we continued our training program to Critical Third Parties on YPF Luz's Code of Ethics and Conduct and Compliance Policies. Finally, we delivered specific training on our "YPF Luz Compliance Channel" reporting line.

Material Facts of the Period and Subsequent Events

Material Facts of the Period

Los Teros II Wind Farm Commercial Operation

On May 14, 2021, Compañía Administradora de Mercado Mayorista Eléctrico Sociedad Anónima (CMMESA) granted its consent commercial operation (COD) of 16 MW corresponding to 4 of the 13 wind turbines, located in Azul, Province of Buenos Aires. Then, on May 21, CMMESA granted the commercial operation (COD) for an additional 20 MW or 5 wind turbines. And finally, on June 3, commercial operation was obtained for the 4 remaining wind turbines, in order to reach a total power of 52 MW.

Offer to Exchange Series I Notes for Series VI Notes

On April 12, 2021, we announced the final consolidated result of the Public Offering and Exchange Offer which involved the issuance of USD 60 million in principal amount of Series VI Notes, with maturity date on April 16, 2023, and an interest coupon of 10.24%.

Reopening of Series IV Notes and Issuance of Series VII Notes

On May 17, 2021, we announced the result of the reopening of Series IV notes for a total amount of USD 16.9 million, maturing on October 28, 2022, with a coupon of 0% and also the issuance of Series VII notes for a total amount of ARS 1.755.000.000, maturing on May 20, 2022, with a coupon of BADLAR + 4.5%

Subsequent Events

Change of Registered Office

Effective since July 1, 2021, the Company notified that the Board of Directors had resolved to relocate its registered office to the following address: Macacha Güemes 515, 3rd Floor (C1106BKK), Autonomous City of Buenos Aires.

Resignation of Alternate Director

On July 22, 2021, the Company's Board of Director approved of the resignation that had been tendered the day before by Mr. Amanuel Haile Mariam to the position of alternate director for which he had been elected by the Class B shareholder at the adjourned annual shareholders' meeting held on May 28 2021. Such resignation is due to personal reasons, is not untimely or malicious, and does not affect the Board of Directors' normal operation.

Annex: Balance Sheet¹ (unaudited figures)

(In thousand USD)	06.30.2021	12.31.2020	Chg %
ASSETS			
Non-Current Assets			
Property, plant & equipment	1,679,474	1,631,232	3.0%
Intangible assets	5,058	5,235	(3.4)%
Right of use assets	17,109	15,875	7.8%
Investments in joint ventures	68,089	64,371	5.8%
Other receivables	9,114	42,082	(78.3)%
Deferred income tax assets	12,256	6,634	84.7%
Total Non-Current Assets	1,791,100	1,765,429	1.5%
Current Assets			
Other receivables	29,871	42,109	(29.1)%
Trade receivable	163,535	108,059	51.3%
Restricted cash and cash equivalents	22,581	44,510	(49.3)%
Cash and cash equivalents	95,216	170,096	(44.0)%
Total Current Assets	311,203	364,774	(14.7)%
TOTAL ASSETS	2,102,303	2,130,203	(1.3)%
SHAREHOLDERS EQUITY			
Shareholders' contributions	87,973	100,083	(12.1)%
Reserves, other comprehensive income and non-retained earnings	780,145	742,211	5.1%
TOTAL SHAREHOLDERS EQUITY	868,118	842,294	3.1%
LIABILITIES			
Non-Current Liabilities			
Provisions	1,876	1,578	18.9%
Deferred income tax liabilities, net	139,524	122,948	13.5%
Leases liabilities	10,790	10,258	5.2%
Loans	689,550	700,245	(1.5)%
Other financial liabilities	-	71	(100.0)%
Total Non-Current Liabilities	841,740	835,100	0.8%
Current Liabilities			
Taxes payable	3,061	1,578	94.0%
Income tax payable	22,353	5,555	302.4%
Salaries and social security	6,411	5,451	17.6%
Leases liabilities	2,975	2,712	9.7%
Loans	276,936	345,397	(19.8)%
Other financial liabilities	420	902	(53.4)%
Trade payable	80,289	91,215	(12.0)%
Total Current Liabilities	392,445	452,810	(13.3)%
TOTAL LIABILITIES	1,234,185	1,287,910	(4.2)%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,102,303	2,130,204	(1.3)%

1. Argentine pesos have been converted to U.S. dollars considering the average exchange rate for each quarter, according to the average closing exchange rate quoted by Banco Nación: 12.31.2020: 84.1 ARS/USD; 06.30.2021: 95.6 ARS/USD.

Annex: Consolidated Income Statement¹ (unaudited figures)

(In thousand USD)	2Q21	2Q20	Chg %	6M21	6M20	Chg %
Revenues	112,159	69,836	60.6%	210,602	142,361	47.9%
Production costs	(49,938)	(32,556)	53.4%	(98,169)	(65,463)	50.0%
Gross profit	62,221	37,280	66.9%	112,433	76,898	46.2%
Administrative and selling expenses	(8,110)	(7,670)	5.7%	(16,640)	(15,957)	4.3%
Other operating results, net	3,176	2,092	51.8%	12,762	7,104	79.6%
Operating profit	57,287	31,702	80.7%	108,555	68,045	59.5%
Income from equity interest in joint ventures	(2,258)	(275)	721.1%	(2,967)	1,068	n.a.
Net financial results	(21,787)	(12,616)	72.7%	(39,649)	(8,402)	371.9%
Profit before income tax	33,242	18,811	76.7%	65,939	60,711	8.6%
Income tax	(31,769)	(5,341)	494.8%	(46,029)	(22,938)	100.7%
Net profit for the period	1,473	13,470	(89.1)%	19,910	37,773	(47.3)%

¹. Argentine pesos have been converted to U.S. dollars considering the average exchange rate for each quarter, according to the average closing exchange rate quoted by Banco Nación: 1Q20: 61.3 ARS/USD; 2Q20: 67.5 ARS/USD; 1Q21: 88.6 ARS/USD; 2Q21: 93.9 ARS/USD.

Annex: Cash Flow Statement¹ (unaudited figures)

(In thousand dollars)	2Q21	2Q20	Chg %	6M21	6M20	Chg %
OPERATING ACTIVITIES						
Net profit for the period	1,473	13,470	(89.1)%	19,910	37,773	(47.3)%
Adjustments to reconcile net profit to net cash flows from operating activities:						
Income from equity interest in joint ventures	2,258	275	721.1%	2,967	(1,068)	n.a.
Depreciation of property, plant and equipment	22,110	15,047	46.9%	43,380	29,618	46.5%
Depreciation of right of use assets	386	284	35.9%	771	568	35.7%
Amortization of intangible assets	62	-	-	178	-	-
Decreases of property, plant and equipment	2,500	535	367.3%	3,194	655	387.6%
Net financial results	21,787	12,617	72.7%	39,649	8,402	371.8%
Net increase in provisions	(211)	-	n.a.	118	132	(10.6)%
Charge of income tax	31,769	5,609	466.4%	46,029	24,729	86.1%
Charge of income tax related with assets held for sale	-	(267)	100.0%	-	(1,790)	100.0%
Increase in provision for obsolescence	-	-	n.a.	786	-	n.a.
Collected dividends	-	5,550	(100.0)%	-	5,550	(100.0)%
Changes in operating assets and liabilities:						
Trade receivable	(41,393)	16,503	n.a.	(64,482)	10,401	n.a.
Other receivable	9,301	(6,237)	n.a.	6,946	(17,422)	n.a.
Trade payable	(24,396)	(11,195)	117.9%	2,666	(16,883)	n.a.
Salaries and social security	1,355	2,038	(33.5)%	1,667	(119)	n.a.
Taxes payable	6,339	(302)	n.a.	20,301	891	2178.5%
Assets and liabilities held for disposal	-	8,173	(100.0)%	-	1,130	(100.0)%
Taxes paid	(12)	-	n.a.	(12)	-	n.a.
Collected interests	513	1,109	(53.7)%	4,044	3,284	23.1%
Net cash flows from operating activities	33,841	63,209	(46.5)%	128,112	85,851	49.2%
INVESTING ACTIVITIES						
Acquisition of property, plant and equipment	(30,599)	(14,811)	106.6%	(102,989)	(117,964)	(12.7)%
Acquisition of property, plant and equipment related with assets held for disposal	-	(3,893)	100.0%	-	(23,709)	100.0%
Advances to suppliers of property, plant and equipment	(17)	(30,689)	(99.9)%	(84)	(30,689)	(99.7)%
Advances to suppliers of property, plant and equipment with assets held for disposal	-	-	n.a.	-	(561)	-
Acquisitions of financial assets	-	(6,598)	100.0%	-	(83,737)	100.0%
Liquidation of financial assets	-	14,310	(100.0)%	-	115,834	(100.0)%
Restricted cash and cash equivalents	10,171	5,556	83.1%	21,945	(3,254)	n.a.
Net cash flows used in investing activities	(20,445)	(36,125)	(43.4)%	(81,128)	(144,080)	(43.7)%
FINANCING ACTIVITIES						
Proceeds from loans	223,944	62,015	261.1%	223,955	89,676	149.7%
Proceeds from loans from assets held for disposal	-	(26)	100.0%	-	60,105	(100.0)%
Payments of loans	(243,174)	(53,555)	354.1%	(304,525)	(80,228)	279.6%
Payments of leases liabilities	(674)	(591)	14.0%	(1,347)	(1,174)	14.7%
Payment of interest and other financial costs	(8,014)	(13,105)	(38.8)%	(38,087)	(43,180)	(11.8)%
Net cash flows from financing activities	(27,918)	(5,262)	430.6%	(120,004)	25,199	n.a.
Net (decrease) increase in cash and cash equivalents	(14,522)	21,822	n.a.	(73,020)	(33,030)	121.1%
Translation effect on financial statements	4,625	(21,207)	n.a.	(1,860)	2,847	n.a.
Reclassification of assets held for disposal	-	42,715	(100.0)%	-	(3,991)	100.0%
Cash and cash equivalents at the beginning of fiscal year ²	105,113	168,365	(37.6)%	170,096	245,869	(30.8)%
Cash and cash equivalents at the end of the period²	95,216	211,695	(55.0)%	95,216	211,695	(55.0)%

1. Argentine pesos have been converted to U.S. dollars considering the average exchange rate for each quarter, according to the average closing exchange rate quoted by Banco Nación: 1Q20: 61.3 ARS/USD; 2Q20: 67.5 ARS/USD; 1Q21: 88.6 ARS/USD; 2Q21: 93.9 ARS/USD.

2. Argentine pesos have been converted to U.S. dollars considering the average exchange rate for each quarter, according to the average closing exchange rate quoted by Banco Nación: 12.31.2019: 59.8 ARS/USD; 03.31.2020: 64.4 ARS/USD; 06.30.2020: 70.4 ARS/USD; 12.31.2020: 84.1 ARS/USD; 03.31.2021: 91.9 ARS/USD; 06.30.2021: 95.6 ARS/USD.



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