Tecpetrol Sociedad Anónima

FINANCIAL STATEMENTS

At December 31, 2024
and for the year then ended

Tecpetrol Sociedad Anónima

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Tecpetrol Sociedad Anónima
Financial Statements at December 31, 2024

LEGAL INFORMATION

Legal domicile:	Pasaje Della Paolera 299/297, 16th floor, City of Buenos Aires
Reported fiscal year:	No. 45
Company's main line of business:	Exploration, exploitation and development of hydrocarbon fields; transport, distribution, transformation, distillation and industrial use of hydrocarbons and by-products and hydrocarbons trade; electric power generation and commercialization through the construction, operation and exploitation in any manner of power plants and equipment for the generation, production, self-generation and/or co-generation of electric power
Registration dates with the Companies Registration Office:	By-laws: registered under No. 247 of Book 94, Volume of Companies by Shares on June 19, 1981 Amendments to by-laws: March 25, 1983; October 16, 1985, July 1, 1987; February 24, 1989; December 12, 1989; August 18, 1992; December 21, 1992; April 6, 1993; December 14, 1995; October 30, 1997; October 13, 2000; September 14, 2005; November 16, 2007; March 23, 2009; September 20, 2010; March 2, 2016; November 25, 2016; September 28, 2017, August 14, 2018 and May 28, 2024
Date of expiry of Company's by-laws:	June 19, 2080
Correlative registration number with the Companies Controlling Office (Inspección General de Justicia, IGJ):	802,207
Name of Parent Company:	Tecpetrol Internacional S.L. (Sole shareholder company)
Legal domicile of Parent Company:	Paseo de Recoletos 12, 3rd floor, Madrid 28001, Spain
Parent Company's main line of business:	Investment
Equity interest held by Parent Company:	95.99%
Percentage of votes of Parent Company:	98.175%

		At December 31, 2024
Share Capital (Note 2.10.b)	**Type of shares**	**Total subscribed, paid-up and registered**
	Book entry shares	**ARS**
	Class A common shares of ARS 1 par value – 1 vote per share	3,106,342,422
	Class B common shares of ARS 1 par value – 5 votes per share	1,330,105,646
		4,436,448,068

Tecpetrol Sociedad Anónima
Financial Statements at December 31, 2024

INCOME STATEMENT
for the year ended on December 31, 2024 and 2023
(Amounts in U.S. dollars, unless otherwise stated)

	Notes	Year ended on December 31, 2024	2023
Continuing operations			
Sales revenues	**7**	1,397,677,026	1,325,449,957
Operating costs	**8**	(985,869,134)	(1,033,406,865)
Gross margin		**411,807,892**	**292,043,092**
Selling expenses	**9**	(101,933,515)	(77,103,432)
Administrative expenses	**10**	(114,358,669)	(107,918,940)
Exploration and evaluation costs		(1,841,823)	(3,115,917)
Other operating income	**12**	4,271,739	4,950,905
Other operating expenses	**12**	(2,778,170)	(1,506,234)
Operating profit		**195,167,454**	**107,349,474**
Financial income	**13**	30,606,118	38,430,082
Financial costs	**13**	(104,499,106)	(280,484,782)
Other net financial profit	**13**	21,023,763	206,247,162
Income before equity in earnings from investments accounted for using the equity method and income tax		**142,298,229**	**71,541,936**
Equity in earnings from investments accounted for using the equity method	**17**	1,700,329	2,590,774
Profit before income tax		**143,998,558**	**74,132,710**
Income tax	**14**	206,681,928	(96,493,650)
Profit / (Loss) for the year		**350,680,486**	**(22,360,940)**
Attributable to:			
Owners of the Parent Company		350,680,486	(22,360,940)

The accompanying notes 1 to 34 are an integral part of these financial statements.

Tecpetrol Sociedad Anónima
Financial Statements at December 31, 2024

STATEMENT OF COMPREHENSIVE INCOME
for the year ended on December 31, 2024 and 2023
(Amounts in U.S. dollars, unless otherwise stated)

	Notes	Year ended on December 31, 2024	2023
Profit / (Loss) for the year		**350,680,486**	**(22,360,940)**
Other comprehensive income:			
Items that will not be subsequently reclassified to profit or loss:			
Changes in the fair value of investments in equity instruments	**19**	(2,398,462)	(2,209,019)
Remeasurement of post-employment benefit obligations	**25**	(452,713)	(2,084,380)
Income tax related to components of other comprehensive income *(i)*	**28**	994,806	1,451,591
Total other comprehensive income for the year		**(1,856,369)**	**(2,841,808)**
Total comprehensive income for the year		**348,824,117**	**(25,202,748)**
Attributable to:			
Owners of the Parent Company		348,824,117	(25,202,748)

(i) Generated by changes in the fair value of investments in equity instruments and remeasurement of post-employment benefit obligations.

The accompanying notes 1 to 34 are an integral part of these financial statements.

Tecpetrol Sociedad Anónima
Financial Statements at December 31, 2024
STATEMENT OF FINANCIAL POSITION
at December 31, 2024 and 2023
(Amounts in U.S. dollars, unless otherwise stated)

	Notes	December 31, 2024	2023
ASSETS			
Non-current assets			
Property, plant and equipment - Exploration, evaluation and development assets	**15**	1,688,910,081	1,532,581,557
Right-of-use assets	**16.a**	53,513,904	42,723,041
Investments accounted for using the equity method	**17**	7,671,101	5,970,772
Investments in equity instruments at fair value	**19**	15,186,623	17,585,085
Deferred tax assets	**28**	171,623,366	-
Other receivables and prepayments	**20**	91,145,735	27,780,478
Income tax assets		34,576	88,260
Total non-current assets		**2,028,085,386**	**1,626,729,193**
Current assets			
Inventories	**22**	64,539,796	39,179,433
Other receivables and prepayments	**20**	84,119,753	50,444,734
Income tax assets		662,070	1,380,959
Trade receivables	**21**	144,881,307	118,665,323
Other investments	**23.a**	16,963,148	79,210,319
Cash and cash equivalents	**23.b**	46,757,288	4,863,074
Total current assets		**357,923,362**	**293,743,842**
Total assets		**2,386,008,748**	**1,920,473,035**
EQUITY AND LIABILITIES			
Equity			
Share capital	**2.10.b**	342,569,980	342,569,980
Capital contributions		57,069,009	57,069,009
Legal reserve		42,844,510	42,844,510
Other reserves	**2.10.f**	58,963,695	60,820,064
Reserve for future dividends		566,700,907	589,061,847
Retained earnings		350,680,486	(22,360,940)
Total equity		**1,418,828,587**	**1,070,004,470**
Non-current liabilities			
Borrowings	**24**	373,260,124	163,454,638
Deferred tax liability	**28**	-	36,053,368
Lease liabilities	**16.a**	26,397,993	14,789,698
Employee benefits	**25**	30,095,457	26,617,520
Provisions	**26**	113,848,108	81,127,652
Total non-current liabilities		**543,601,682**	**322,042,876**
Current liabilities			
Borrowings	**24**	169,497,566	294,260,341
Lease liabilities	**16.a**	17,785,448	13,094,981
Employee benefits	**25**	8,338,077	6,782,776
Provisions	**26**	29,471,828	3,156,816
Trade and other payables	**27**	198,485,560	211,130,775
Total current liabilities		423,578,479	528,425,689
Total **liabilities**		967,180,161	850,468,565
Total equity and liabilities		**2,386,008,748**	**1,920,473,035**

The accompanying notes 1 to 34 are an integral part of these financial statements.

Tecpetrol Sociedad Anónima
Financial Statements at December 31, 2024

STATEMENT OF CHANGES IN EQUITY

for the year ended on December 31, 2024 and 2023
(Amounts in U.S. dollars, unless otherwise stated)

		Attributable to the owners of the Parent Company						
		Shareholders' contributions		Accumulated profit (loss)				
		Share capital	Capital contributions	Reserved earnings			Retained earnings	Total
	Notes	Subscribed capital (i)		Legal reserve	Other reserves (ii)	Reserve for future dividends		
Balance at December 31, 2023		**342,569,980**	**57,069,009**	**42,844,510**	**60,820,064**	**589,061,847**	**(22,360,940)**	**1,070,004,470**
Profit for the year		-	-	-	-	-	350,680,486	350,680,486
Changes in the fair value of investments in equity instruments	**19**	-	-	-	(2,398,462)	-	-	(2,398,462)
Remeasurement of post-employment benefit obligations	**25**	-	-	-	(452,713)	-	-	(452,713)
Income tax related to components of other comprehensive income	**28**	-	-	-	994,806	-	-	994,806
Other comprehensive income for the year		**-**	**-**	**-**	**(1,856,369)**	**-**	**-**	**(1,856,369)**
Total comprehensive income for the year		**-**	**-**	**-**	**(1,856,369)**	**-**	**350,680,486**	**348,824,117**
Distribution of earnings according to the decision adopted during the Annual General Meeting of Shareholders held on August 23, 2024:								
Reserve allocation		-	-	-	-	(22,360,940)	22,360,940	-
Balance at December 31, 2024		**342,569,980**	**57,069,009**	**42,844,510**	**58,963,695**	**566,700,907**	**350,680,486**	**1,418,828,587**

(i) See Note 2.10.b.
(ii) See Note 2.10.f.

The accompanying notes 1 to 34 are an integral part of these financial statements.

Tecpetrol Sociedad Anónima
Financial Statements at December 31, 2024

STATEMENT OF CHANGES IN EQUITY
for the year ended on December 31, 2024 and 2023 (cont.)
(Amounts in U.S. dollars, unless otherwise stated)

		Attributable to the owners of the Parent Company						
		Shareholders' contributions		Accumulated profit (loss)				
		Share capital		Reserved earnings				
	Notes	Subscribed capital (i)	Capital contributions	Legal reserve	Other reserves (ii)	Reserve for future dividends	Retained earnings	Total
Balance at December 31, 2022		**342,569,980**	**57,069,009**	**33,330,211**	**63,661,872**	**408,290,171**	**190,285,975**	**1,095,207,218**
Loss for the year		-	-	-	-	-	(22,360,940)	(22,360,940)
Changes in the fair value of investments in equity instruments	19	-	-	-	(2,209,019)	-	-	(2,209,019)
Remeasurement of post-employment benefit obligations	25	-	-	-	(2,084,380)	-	-	(2,084,380)
Income tax related to components of other comprehensive income	28	-	-	-	1,451,591	-	-	1,451,591
Other comprehensive income for the year		**-**	**-**	**-**	**(2,841,808)**	**-**	**-**	**(2,841,808)**
Total comprehensive income for the year		**-**	**-**	**-**	**(2,841,808)**	**-**	**(22,360,940)**	**(25,202,748)**
Distribution of earnings according to the decision adopted during the Annual General Meeting of Shareholders held on March 13, 2023:								
Reserve allocation		-	-	9,514,299	-	180,771,676	(190,285,975)	-
Balance at December 31, 2023		**342,569,980**	**57,069,009**	**42,844,510**	**60,820,064**	**589,061,847**	**(22,360,940)**	**1,070,004,470**

(i) See Note 2.10.b.
(ii) See Note 2.10.f.

The accompanying notes 1 to 34 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
for the year ended on December 31, 2024 and 2023
(Amounts in U.S. dollars, unless otherwise stated)

	Notes	Year ended on December 31, 2024	2023
OPERATING ACTIVITIES			
Profit / (Loss) for the year		350,680,486	(22,360,940)
Adjustments to profit for the year to reach operating cash flows	**29**	365,795,238	835,390,590
Changes in working capital	**29**	(209,298,334)	41,844,152
Others		(25,996,955)	(361,048,441)
Payment of employee benefits		(5,367,987)	(12,493,175)
Payment of income tax		(1,050,024)	(4,630,227)
Cash generated by operating activities		**474,762,424**	**476,701,959**
INVESTING ACTIVITIES			
Investments in property, plant and equipment		(676,512,614)	(656,567,310)
Collection from the sale of property, plant and equipment		1,297,360	1,168,863
Collection of other investments		130,913,461	135,346,750
Collected dividends	**13**	2,077,985	2,110,000
Payments of assets classified as held for sale		-	(181,700)
Cash used in investing activities		**(542,223,808)**	**(518,123,397)**
FINANCING ACTIVITIES			
Proceeds from borrowings	**24**	331,856,252	390,180,062
Proceeds from negotiable obligations, net of issuance costs	**24**	266,989,216	259,111,537
Payment of borrowings		(472,751,174)	(525,428,579)
Dividends paid		-	(2,897,233)
Lease liabilities payments	**16**	(17,820,357)	(14,748,385)
Cash generated by financing activities		**108,273,937**	**106,217,402**
Increase in cash and cash equivalents		**40,812,553**	**64,795,964**
Changes in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year, net of bank overdrafts		4,542,409	(54,555,326)
Increase in cash and cash equivalents		40,812,553	64,795,964
Financial loss / (profit) generated by cash and cash equivalents		1,402,326	(5,698,229)
Cash and cash equivalents at year-end, net of bank overdrafts		**46,757,288**	**4,542,409**

		December 31, 2024	2023
Cash and cash equivalents	**23.b**	46,757,288	4,863,074
Bank overdrafts	**24**	-	(320,665)
Cash and cash equivalents at year-end, net of bank overdrafts		**46,757,288**	**4,542,409**
Non-cash transactions			
Unpaid investments in property, plant and equipment		90,231,368	109,677,674
Collection of receivables in kind		38,488,430	-
Offset of borrowings (principal and interest)		6,199,217	-

The accompanying notes 1 to 34 are an integral part of these financial statements.

Index to the notes to the financial statements

Notes to the financial statements at December 31, 2024

(Amounts in U.S. dollars, unless otherwise stated)

1. General information

Tecpetrol S.A. (hereinafter referred to as the “Company” or “Tecpetrol”) was incorporated on June 5, 1981, and its main activity consists in the exploration and exploitation of oil and gas in Argentina. Its legal domicile is Pasaje Della Paolera 299/297, 16th floor, city of Buenos Aires, Argentina.

The Company has an important presence in Vaca Muerta area (province of Neuquén) through the unconventional exploitation concessions over which it holds all rights and obligations in the areas of Fortín de Piedra and Punta Senillosa (both granted in July 2016) and in Puesto Parada area (granted in December 2022) and the joint operations over unconventional exploitation concessions in the areas of Los Toldos I Norte y Los Toldos II Este (both granted in July 2019) and Los Toldos I Sur (granted in October 2017), all of them for a 35-year period.

In addition, Tecpetrol S.A. operates in conventional hydrocarbon areas in Neuquina, Noroeste, Golfo San Jorge and other basins, through joint operations (see Note 33). It also holds all exploitation rights over the area Los Bastos (province of Neuquén) and has an exploration (and potential exploitation) license over the area Gran Bajo Oriental located in the province of Santa Cruz.

Macroeconomic environment

The Company has been conducting its business under challenging situations both locally and internationally.

During its first year in office, the national government carried out significant macroeconomic and governmental restructurings aimed at achieving fiscal stability, deregulating the economy and slowing down the inflationary process in which the country is currently immersed.

By means of Decree No. 592/2024, published in the Official Gazette on July 8, 2024, the Executive Branch promulgated Law No. 27.742 titled “Law of Bases and Starting Points for the Freedom of Argentines” (Ley de Bases y Puntos de Partida para la Libertad de los Argentinos), and thus declared a public emergency in administrative, economic, financial and energetic matters for a 1-year period. The Law establishes the reform of the state, the promotion of registered employment, labor modernization, the implementation of a Large Investment Incentive Regime (Régimen de Incentivo de Grandes Inversiones, RIGI) and an asset regularization regime, among other measures. The RIGI aims to promote the development of productive and infrastructure investments by providing eligible investors with a legal security regime and stability in tax, customs, and foreign exchange matters for a period of 30 years. On December 23, 2024, the term of the Tax for an Inclusive and Solidarity-based Argentina (Impuesto PAÍS) expired.

At December 31, 2024, restrictions on the Foreign Exchange Market (Mercado Libre de Cambios, MLC) access are still in place, along with the import tax and export withholding regimes, allowing 20% of export values to be settled through the purchase and sale of marketable securities acquired with foreign currency and then sold at local currency.

Through the aforementioned measures, which sought to give consistency and confidence to the new economic deregulation scheme, the fiscal surplus target was achieved and the inflation slowed down, resulting in an improvement in investors confidence and a consequent drop in the country risk. Likewise, although the exchange restrictions persist, the gap between the official and financial exchange rates has narrowed.

Notes to Financial Statements at December 31, 2024 (Cont.)

1. General information (Cont.)

Macroeconomic environment (cont.)

For the year 2024, the country's main indicators were:

- the variation of the Gross Domestic Product (GDP) in interannual terms is estimated at a reduction of 2.6%
- the accumulated inflation in the current fiscal year reached 117.8% (Consumer Price Index - CPI);
- the Argentine peso depreciated against the U.S. dollar by 27.83%, in nominal terms and according to the exchange rate of the Banco de la Nación Argentina (BNA).

The evolution of the macroeconomic situation in Argentina and the world financial and geopolitical stability may affect the economic and financial situation of the Company and the behavior of the market in which it operates.

Management of the Company closely monitors the evolution of the abovementioned situations in order to adopt measures according to the complexity of the events, aiming at safeguarding the integrity of the staff, keeping operations running and preserving the corporate financial health of the Company.

These financial statements of the Company should be read taking into account these circumstances.

2. Summary of significant accounting policies

2.1 Basis for preparation

These financial statements of the Company were prepared in accordance with the IFRS accounting standards (IFRS) issued by the International Accounting Standards Board (IASB), under a historical cost convention, modified by the revaluation of financial assets and liabilities at fair value.

These financial statements are presented in U.S. dollar (USD), unless otherwise stated, which is the Company's functional currency and were prepared with the purpose of providing information in such currency to non-Argentine users of the financial statements. These financial statements were approved for issuance by the Board of Directors on February 26, 2025.

The financial statements used by Tecpetrol S.A. for statutory, legal and regulatory purposes in Argentina are those presented in Argentine pesos (ARS) and filed with the National Securities Commission for Argentina (Comisión Nacional de Valores, CNV), which were approved for issuance by the Board of Directors on February 26, 2025.

The preparation of financial statements in conformity with IFRS requires management to make certain accounting estimates that might affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates.

The information corresponding to the years ended on December 31, 2024 and December 31, 2023, is part of these financial statements and is presented for comparative purposes only.

2.2. Participation in investments

(a) Associates

Associates are entities over which the Company has significant influence, generally accompanying a shareholding of 20-50% of the voting rights. Investments in associates are initially recognized at cost and subsequently accounted for using the equity method.

Investments in associates are recognized as *Investments accounted for using the equity method* in the Statement of Financial Position. The Company's pro-rata share of earnings and other comprehensive income of associates is recorded as *Equity in Earnings from investments accounted for using the equity method* and *Other comprehensive income of investments accounted for using the equity method* in the Income Statement and the Statement of Comprehensive Income, respectively.

Unrealized profit (loss) on transactions between Tecpetrol and its associates is eliminated to the extent of Tecpetrol's interest in such companies.

The accounting policies of the associates are modified where necessary to ensure consistency with the accounting policies adopted by the Company. Additionally, the Company includes, where significant, subsequent operations when financial statements at different reporting dates are used to calculate the equity method of accounting.

Investments in associates, each of which is considered a Cash Generating Unit (CGU), are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable; and, if appropriate, an impairment loss is recorded.

(b) Participation in joint arrangements

A joint arrangement is an agreement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control exists only when decisions about the relevant activities require the unanimous consent of the parties involved.

Investments whereby two or more parties have joint control are classified as *joint operations* when the parties have rights over the assets and obligations in relation to the liabilities of the joint arrangement. Joint operations are consolidated line by line at Tecpetrol's proportionate share.

Investments whereby two or more parties have joint control are classified as *joint ventures* when the parties have rights over the net assets of the arrangement and are registered according to the equity method, as described above. Investments classified as joint ventures are included under *Investments accounted for using the equity method* in the Statement of Financial Position. The Company's pro-rata share of earnings and other comprehensive income of joint ventures is recorded as *Equity in earnings from investments accounted for using the equity method* and *Other comprehensive income of investments accounted for using the equity method* in the Income Statement and the Statement of Comprehensive Income, respectively.

Accounting policies of joint operations and ventures have been modified where necessary to ensure consistency with the accounting policies adopted by the Company.

The valuation of the Company's interests in joint arrangements is reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable and, if appropriate, an impairment loss is recorded.

2.3. Foreign currency translation and balances in foreign currency

(a) Functional and presentation currency

Items included in the financial statements are reported in the currency of the primary economic environment in which the entity operates (functional currency). The functional currency of the Company is the USD, since this is the currency which best reflects the economic substance of the transactions. Both sales and prices of main drilling costs are negotiated, denominated and settled either in USD or considering the exchange rate fluctuation with respect to that currency.

The presentation currency of these financial statements is the USD.

(b) Transactions in currency other than the functional currency

Transactions carried out in currencies other than functional currency are translated into functional currency using the exchange rates prevailing at the date of the transaction or valuation. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognized in the Income Statement, except when deferred to *Other comprehensive income* as cash flow hedges. Translation differences on non-monetary financial assets and liabilities, such as *Investments in equity instruments at fair value* are reported under Other comprehensive income. Share capital is translated at the exchange rate in force at the date of each capital contribution.

2.4. Property, plant and equipment - Exploration, evaluation and development assets

Exploration and exploitation rights over areas relating to proved reserves are capitalized.

Acquisition costs related to rights and concessions of probable and possible reserves are initially capitalized; then; if upon completion and evaluation, exploratory results are determined to be unsuccessful, such costs are charged to expense in the period in which the lack of reserves is definitively confirmed by studies, technical reports or additional drillings.

Exploration and evaluation costs are initially capitalized and accumulated on a field-by-field basis. In the case of exclusively exploratory areas, exploration and evaluation costs include geological studies and other costs directly attributable to this activity. Subsequently, if upon field commercial evaluation, results are determined to be unsuccessful, these costs are charged to expense in the period in which the lack of reserves is definitively confirmed by studies and technical reports.

Drilling costs of exploratory wells are initially capitalized until it is confirmed that proved reserves are found that justify their commercial development. If such proved reserves are not found, drilling costs are charged to expense in the period in which this determination is definitively confirmed. Occasionally, an exploratory well may determine the existence of reserves, but they might not be classified as proved reserves once the drilling is completed. In this case, these costs remain capitalized provided that the well has enough reserves in order to justify its completion as a productive well and that the Company makes sufficient progress in assessing the economic and operational viability of the project.

No depreciation or amortization is charged during the exploration and evaluation phase.

2.4. Property, plant and equipment - Exploration, evaluation and development assets (Cont.)

Field development costs are capitalized as *Property, plant and equipment - exploration, evaluation and development assets.* Such costs include the acquisition and installation of production facilities, drilling costs of development wells and project-related engineering.

Wells drilled in productive fields for the purposes of developing proved reserves are considered development wells; wells which are neither development wells nor service wells are considered exploratory wells.

Workovers carried out in wells intended to develop reserves and/or increase production are capitalized and depreciated on the basis of their estimated average useful life. Maintenance costs are charged to expense when incurred.

Asset retirement obligations costs are calculated pursuant to the guidelines detailed in Note 2.14.

From time to time, the Company re-evaluates the remaining useful lives of its assets, their residual value and the depreciation method; and adjusts them, if necessary.

Depreciation of exploration and exploitation rights related to proved reserves is calculated using the unit-of-production method computed on the basis of total proved reserves of each field.

Depreciation of wells, machinery, equipment and facilities is calculated using the unit-of-production method computed on the basis of total proved developed reserves of each field as from the month production starts.

Depreciation of machinery and equipment under contracts in which the Company acts as lessor is calculated using the straight-line method over an estimated useful life of 10 years.

Depreciation of the remaining property, plant and equipment is calculated using the straight-line method by applying the following annual rates to the cost of each asset:

– Vehicles	up to 5 years
– Furniture and office equipment	up to 5 years

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of assets at the date of disposal and are recognized under *Other operating income (expenses)*, as applicable, in the Income Statement.

The carrying value of assets from production and development areas and assets related to probable and possible reserves is reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable. Impairment losses are recognized when the carrying value of the assets is higher than their recoverable amount. The recoverable amount is the higher of the assets' fair value, less costs to sell and their value in use. The value in use is determined on the basis of discounted cash flows expected to arise from the remaining commercial reserves.

Assets which have suffered impairment losses in previous periods are reviewed at each reporting date in order to assess if the conditions which gave rise to the impairment loss have changed and, if appropriate, to reverse such impairment loss.

2.5. Leases

Right-of-use assets and liabilities derived from lease agreements under which the Company acts as lessee (Note 16.a) are recognized in the Statement of Financial Position as from the date on which the leased asset is available for use by lessee and are measured at the present value of the payments to be made under the term of the lease agreement considering the discount rate implicit under the lease (provided it could be determined) or the incremental borrowing rate of the Company.

Lease liabilities comprise fixed payments, variable lease payments based on a rate or index, amounts expected to be payable under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and penalties for early termination of the lease if the term of the agreement indicates the lessee will exercise the option.

Costs for right-of-use assets include the amount of initially measured liabilities, all payments made before the date of initial application, initial direct costs and related-restoration costs.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date and any initial direct costs incurred by the lessee.

Subsequently, right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, if applicable. Assets are depreciated on a straight-line basis over the term of the lease or useful life of the asset, whichever period is the shorter. Lease liabilities are increased by interest accrual and remeasured to reflect changes in payments, the scope of the lease and the discount rate. The cost for right-of-use assets is adjusted for any remeasurement of the lease liability.

Lease liabilities were discounted using the Company's incremental borrowing rate in USD which averaged 6.1% in 2024.

Lease agreements under which the Company acts as lessor (Note 16.b) and retains all risks and benefits from the ownership of the underlying asset are classified as operating leases. Revenue from these contracts is recognized on an accrual basis under *Sales revenues* in the Income Statement during the term of the lease. All related leased assets are included in the Statement of Financial Position according to their nature.

2.6. Inventories

Hydrocarbon inventories, supplies and spare parts are stated at the lowest between cost, using the weighted average cost formula, and net realizable value.

The Company assesses the recoverability of its inventories at each closing date and, if appropriate, an allowance for obsolete or slow-moving inventories is recognized in the Income Statement.

Notes to Financial Statements at December 31, 2024 (Cont.)

2.7. Trade and other receivables

Trade and other receivables are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method, less allowances for doubtful accounts, if necessary. An allowance for doubtful accounts is established based upon expected credit losses and when there is objective evidence that the Company will not be able to collect trade and other receivables. In order to assess expected credit losses, the Company uses both forward-looking information and historical data. Periodically, the Company evaluates changes in credit risk considering the debtors' significant financial difficulties, the probability that the debtor will file for bankruptcy or will be subject to insolvency proceedings, and default or significant delays in payments, as well as significant changes in foreign market indicators and regulatory or economic conditions. To estimate expected credit losses, the Company groups trade and other receivables (if any) based upon common credit risk indicators and designates an expected bad debt rate according to a historical bad debt ratio adjusted to expected future economic conditions.

The asset's carrying amount is reported net of the allowance for doubtful accounts, if applicable. The expense is recognized in the Income Statement under *Selling expenses.*

2.8. Other investments

Other investments consist of investments in financial debt instruments with a maturity of more than three months at the date of purchase. They are initially recognized at fair value and subsequently valued at amortized cost or at fair value, depending on the classification of the financial instruments, as set forth in Note 2.19.

2.9. Cash and cash equivalents

Cash and cash equivalents are carried at fair value or at historical cost which approximates the fair value. For purposes of the Statement of Cash Flows, cash and cash equivalents include cash, bank deposits, overdrafts and highly liquid investments with original maturities of less than three months and which are readily convertible into cash.

In the Statement of Financial Position, bank overdrafts are included in *Borrowings* within current liabilities.

2.10. Equity

(a) Equity components

The Statement of Changes in Equity includes share capital, capital contributions, the legal reserve, the reserve for future dividends, other reserves and retained earnings.

(b) Share Capital

At December 31, 2024 and 2023 the Company's subscribed capital amounted to ARS 4,436,448,068 (USD 342,569,980) and was represented by 4,436,448,068 common shares carrying a nominal value of ARS 1 each.

(c) Distribution of dividends

Dividends distributed to the Company's shareholders are based on profit (loss) attributable to the owners of the Parent Company. Distribution of dividends is recognized as a liability in the financial statements in the period in which those dividends are approved by the Shareholders.

2.10. Equity (Cont.)

(d) Capital contributions

General Resolution No. 562/09 of the CNV establishes that there are certain transactions carried out by an entity with its parent company that, depending on the economic substance of the transaction, are similar to contributions or withdrawals of capital or profits, and therefore must be recognized directly in Equity. When items with a credit balance are generated, they are treated as capital contributions and are disclosed in Equity as *Capital Contributions.*

(e) Legal reserve

In accordance with Companies Law No. 19,550 (hereinafter referred to as "LGS"), the Company's by-laws and General Resolutions No. 622/13 and 941/2022 issued by the CNV, 5% of the net profits for the year must be allocated to a legal reserve until such reserve equals 20% of the share capital.

(f) Other reserves

Other reserves include the changes in the fair value of investments in equity instruments, the actuarial gains and losses generated by employee benefits and the income tax related to components of other comprehensive income.

The composition of *Other reserves* at December 31, 2024 and 2023 is as follows:

	Special reserve (i)	Reserve for investments in equity instruments	Reserve for employee benefits	Total
Balances at December 31, 2023	64,632,969	1,555,113	(5,368,018)	60,820,064
Other comprehensive income for the year	-	(2,398,462)	(452,713)	(2,851,175)
Income tax related to components of other comprehensive income	-	836,356	158,450	994,806
Balances at December 31, 2024	**64,632,969**	**(6,993)**	**(5,662,281)**	**58,963,695**

	Special reserve (i)	Reserve for investments in equity instruments	Reserve for employee benefits	Total
Balances at December 31, 2022	64,632,969	3,042,074	(4,013,171)	63,661,872
Other comprehensive income for the year	-	(2,209,019)	(2,084,380)	(4,293,399)
Income tax related to components of other comprehensive income	-	722,058	729,533	1,451,591
Balances at December 31, 2023	**64,632,969**	**1,555,113**	**(5,368,018)**	**60,820,064**

(i) Corresponds to the special reserve created in accordance with CNV General Resolution No. 609/12 [See Note 30 (iii)].

2.11. Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred, and subsequently measured at amortized cost using the effective interest method.

Borrowings are classified as current liabilities if they are due within the next 12 months after the reporting period and the Company does not have the unconditional right to defer payments for at least 12 months after the reporting period.

2.12. Income tax

The income tax expense comprises current and deferred tax and is recognized in the Income Statement, except to the extent that it relates to items recognized in Other comprehensive income. In this case, income tax is also recognized directly in Other comprehensive income.

Current income tax is calculated by applying the appropriate tax rate to the taxable income determined under current tax regulations. Tecpetrol periodically evaluates positions taken in returns regarding situations in which tax regulation is subject to interpretation and recognizes a provision when considered appropriate.

Deferred income tax is recognized by applying the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. The temporary differences arise mainly from the effect of the difference on functional currency, the tax inflation adjustment, depreciation of property, plant and equipment, net operating loss carry-forwards, allowances and provisions Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the time period when the asset is realized or the liability is settled, based on tax laws that have been enacted or substantively enacted at the reporting date.

Tax losses are recognized as deferred assets to the extent that it is probable that future taxable income will be available. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets and recognize a deferred asset if it is probable that future taxable income will allow the deferred asset to be recovered.

Deferred tax assets and liabilities are offset at the level of each legal entity when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

For the assessment of income tax charge, Law No. 27,430/2017, as amended, sets forth the application of a tax inflation adjustment in the fiscal year in which the percentage of variation of the CPI accumulated during the thirty-six months prior to the closing date, exceeds 100%. In fiscal years 2024 and 2023 this condition was met, and therefore the tax inflation adjustment was included in the assessment of the provision for current and deferred income tax, including its impact according to applicable regulations.
For tax assessment purposes, Law No. 27,630 establishes a three-tiered rate system depending on accumulated net taxable income. The rates applicable for fiscal year 2024 are as follows:

- 25% for accumulated net taxable income up to ARS 35 million.
- 30% for the second tier, which covers accumulated net taxable income up to ARS 347 million, plus ARS 9 million corresponding to taxable income from the first tier.
- 35% for income over ARS 347 million, plus ARS 102 million corresponding to income from the first and second tiers.

These amounts are adjusted on a yearly basis, as set forth under Income Tax Law.

Based on Law No. 27,701, the Company chose to differ the positive inflation adjustment in two fiscal years (applicable to fiscal years 2022 and 2023) and committed to make certain investments of an amount equal to or higher than ARS 30,000 million during each of the two fiscal years following the fiscal year to which the positive inflation adjustment corresponds.

Besides, pursuant to the abovementioned law, dividends and similar profits to be distributed among foreign beneficiaries will be taxed at a rate of 7%.

The Company has applied the inflation adjustments to the tax losses originated as from January 1, 2018, pursuant to section 25 of Income Tax Law (as revised in 2019 and subsequently amended).

2.13. Employee benefits

(a) Pension plans and others

The Company has established employee benefits classified as *unfunded defined benefits plans* and *other long-term benefits* that are granted after retirement and during the employee's working life and are recognized according to current accounting standards.

The liability recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period, which is calculated at least once a year by independent actuaries using the projected unit credit method.

For unfunded defined benefits, actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in Other comprehensive income in the year in which they arise. Past-service costs are recognized immediately in the Income Statement.

Actuarial gains and losses related to other long-term benefits are recognized immediately in the Income Statement.

(b) Employee retention and long-term incentive program

Tecpetrol Investments S.L.U., indirect parent company of the Company, has an employee retention and long-term incentive program for certain executives of some subsidiaries. According to this program, the beneficiaries will be granted a number of units valued at the book value of Equity per share of Tecpetrol Investments S.L.U. (excluding non-controlling interest). The units will be vested over a period of four years and the corresponding subsidiaries will redeem them after a certain period, which according to the terms of the plan granted, contemplates two different redemption periods: a) 10 years from the day they were granted; the employee shall have the right to request payment as from the seventh year onwards; b) 7 years from the day they were granted; or in both cases, when the employment relationship with the payor subsidiary ceases. Payments will be made at the book value of Equity per share attributable to the Shareholders of Tecpetrol Investments S.L.U. upon payment. The beneficiaries of this program will also receive cash payments equivalent to the dividend paid per share, each time Tecpetrol Investments S.L.U. pays cash dividends to its shareholders. Considering that payment of the benefit is tied to the book value of Tecpetrol Investments S.L.U. shares, the Company values this program as *Other long-term benefits*, as required by IAS 19.

At December 31, 2024 and 2023 the total value of the units granted to employees of the Company under this program, considering both the number of units and the book value per share of Tecpetrol Investments S.L.U. amounts to USD 18 and USD 16 million, respectively. Pursuant to calculations carried out by independent actuaries, at December 31, 2024 and 2023, the Company reported liabilities for USD 17.5 million and USD 17.1 million respectively; and expenses for USD 5.3 and 6.0 million at December 31, 2024 and 2023, respectively (see Note 25).

Notes to Financial Statements at December 31, 2024 (Cont.)

2.14 Provisions

Provisions are recognized when a) the Company has a present obligation, whether legal or constructive, as a result of past events; b) it is highly probable that an outflow of resources will be required to settle the obligation; and c) the amount can be estimated reliably. Provisions are measured at the present value of the expenditure expected to be required to settle the obligations using an appropriate discount rate.

The provision for assets retirement obligations is calculated by establishing the present value of future costs related to the decommissioning and restoration of each area. When the liability is initially recognized, the Company capitalizes these costs by increasing the carrying value of the related asset. Over time, the liability is accreted to its present value during each period, and the initially capitalized cost is depreciated over the estimated useful life of the related asset, as detailed in Note 2.4. The Company periodically re-evaluates the future costs of asset retirement obligations, based upon changes in technology, the number of wells, changes in the discount rate, and variations in restoration costs necessary to protect the environment. The effects of these re-calculations are included in the financial statements of the periods in which they are determined and are disclosed as an adjustment to the provision and to *Property, plant and equipment - Exploration, evaluation and development assets.*

2.15. Trade and other payables

Trade and other payables are initially recognized at fair value and subsequently measured at amortized cost, using the effective interest method. Trade and other payables are classified as current liabilities unless Tecpetrol has the right to defer settlement of the liability for at least 12 months after the reporting date.

2.16. Revenue recognition

Revenues from contracts with customers comprise the fair value of the consideration received or receivable from the sale of goods and services to customers net of value-added tax, withholding taxes and discounts.

Revenues from hydrocarbon sales contracts with customers are recognized when the control of goods or services is transferred to the customer, at fair value of the consideration received or receivable. Performance obligations are fulfilled, and control is transferred to the customer upon delivery of hydrocarbons.

Revenues from contracts with customers for services mainly related to the sale of hydrocarbons are recognized over time. The related performance obligation is fulfilled as such services are rendered.

Other revenues are recognized on an accrual basis.

2.17. Incentives to production and/or investments

Incentives to production and/or investments created by the national government are recognized according to an accrual basis of accounting when the Company complies with all necessary requirements in order to receive the incentives and has a reasonable certainty that they will be collected. Such incentives are included within *Sales revenues* in the Income Statement.

2.18. Operating costs

Operating costs are recognized in the Income Statement on an accrual basis of accounting.

2.19. Financial instruments

Financial assets and liabilities are recognized and derecognized on their settlement date.

Financial assets and liabilities are offset, and the net amount is reported in the Statement of Financial Position when there is a legally enforceable right to offset such amounts, and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company classifies its non-derivative financial instruments into the following categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. The classification depends on the Company's business model to manage the financial instruments and the terms of their contractual cash flows.

(a) Amortized cost

Financial assets are measured at amortized cost if both of the following conditions are met: (a) the business model of the company is to collect the contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding Interest income is recognized in the Income Statement using the effective interest rate method.

Financial liabilities are measured at amortized cost, except when they specifically satisfy certain requirements to be included under another category.

This category mainly includes cash and cash equivalents, trade and other receivables, borrowings, trade and other payables and leases.

(b) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if both of the following conditions are met: i) the business model of the company is achieved by both collecting contractual cash flows and selling those financial assets, and ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category includes investments in equity instruments since the Company exercised the irrevocable election to present changes in the fair value in other comprehensive income as an item that will not be subsequently reclassified to profit or loss. Dividends resulting from these investments are recognized in profit or loss.

The Company evaluates at each closing date whether there are impairment indicators, and recognize, if necessary, an impairment charge as part of the changes in the fair value in *Other comprehensive income*.

(c) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial instruments that do not meet the criteria for any of the other categories. This category mainly includes investments in financial debt instruments, fixed-income securities, share certificates and mutual funds.

Notes to Financial Statements at December 31, 2024 (Cont.)

2.20. Derivative financial instruments and hedging activities

Derivative financial instruments are recognized at fair value. Specific tools, which are tested for consistency on a regular basis, are used for calculating the fair value of each instrument. Market indexes are used for all pricing operations. These include exchange rates, interest rates and other discount rates which mitigate the nature of the underlying risk.

The method for recognizing the resulting gain or loss depends on whether the derivative financial instrument is designated as a hedging instrument, and if so, on the nature of the item being hedged. Changes in the fair value of derivative financial instruments that are not designated as hedging instruments are immediately recognized in the Income Statement as *Other net financial profit / (loss)*.

A derivative financial instrument designated as a hedging instrument is classified as non-current asset or liability if the item being hedged has a maturity greater than 12 months; and it is classified as current asset or liability if the remaining maturity of the hedged item is less than 12 months. Derivatives not designated as hedging instruments are classified as current assets or liabilities.

Cash flow hedges

When a derivative financial instrument is designated as a hedging instrument, the Company documents the relationship between hedging instruments and hedged items at the inception of the transaction, as well as its objectives and the risk management strategy for undertaking various hedge transactions.

Upon hedge inception and on an ongoing basis, the Company also assesses the effectiveness of the derivative financial instruments designated as hedge to offset cash flows of hedged items.

The effective portion of changes in the fair value of derivatives financial instruments that are designated as cash flow hedges is recognized under *Other comprehensive income*. The profit (loss) related to the ineffective portion is recognized immediately in the Income Statement under *Other net financial profit / (loss)*.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative profit or loss previously reported under *Other comprehensive income* remains in Other comprehensive income and is reclassified to the Income Statement when the hedged transaction takes place. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in Other comprehensive income is immediately reclassified to the Income Statement.

2.21. Segment information

The Company has identified each of the fields in which it participates as operating segments. Such operating segments are aggregated into two reportable segments: Neuquina basin and Noroeste - San Jorge basin and others. Each reportable segment is managed by an officer, who is directly responsible for managing the operations in the fields of each basin.

The highest decision-making authority is the group of directors comprised by the General Manager and the first-line managers, who hold periodical meetings with the officers in charge of the different areas in order to assess the performance of each field and allocate resources. Such assessment is performed based on the operating profit (loss) reported under the management view. Note 6 discloses the information received and monitored by directors and the main differences between operating profit (loss) under management view and IFRS.

2.21. Segment information (Cont.)

The Neuquina basin segment includes the operations in the following fields: Fortín de Piedra, Punta Senillosa, Los Bastos, Puesto Parada, Agua Salada and Los Toldos (I Norte, II Este and I Sur), where medanito crude and gas are produced. Additionally, it includes all evaluation activities developed in Loma Ancha.

The Noroeste - San Jorge basin and others segment include the operations in the following fields: Aguaragüe and Ramos in Salta, El Tordillo and La Tapera - Puesto Quiroga in Chubut and Lago Argentino in Santa Cruz. These are mature fields, with secondary and tertiary productions, mainly of escalante crude oil and gas. Moreover, there are exploratory activities in the area of Gran Bajo Oriental in the province of Santa Cruz and in MLO-124 area, located in Malvinas marine basin.

3. New accounting standards

(a) New standards, interpretations and amendments to published standards effective as from the year ended on December 31, 2024:

There were no new standards, interpretations and amendments to published standards that were relevant to the Company.

(b) New standards, interpretations and amendments to published standards not yet effective and not early adopted:

IAS 21:

In August 2023, the IASB modified IAS 21 introducing some guidelines to assess whether a currency is exchangeable into another currency and to determine a spot exchange rate when a currency is not exchangeable.

Amendments to IAS 21 are applicable to annual reporting periods beginning on or after January 1, 2025.

IFRS 18:

In April 2024, the IASB issued IFRS 18 “Presentation and Disclosure in Financial Statements”, which replaces IAS 1 “Presentation of Financial Statements” and introduces new requirements to enhance the ways companies disclose their information in the financial statements, particularly in the Income Statement.

IFRS 18 is applicable to annual reporting periods beginning on or after January 1, 2027.

Management assessed the importance of other new standards, interpretations and amendments not yet effective and concluded that they were not relevant for the Company.

4. Financial risk management

4.1. Financial risk factors

Due to its activities, the Company is exposed to a series of financial risks, mainly related to market risks (including fluctuations in exchange rates, interest rates and prices), concentration of credit risk, liquidity risk and capital risk.

The risk management program is focused on the unpredictability of financial markets and aims at minimizing the potential adverse effects on its financial performance.

(i) Foreign exchange rate risk

The Company is exposed to fluctuations in exchange rates for those transactions conducted in a currency other than the functional currency. Since the functional currency is the USD, the purpose of Tecpetrol’s is to reduce the risk caused by changes in the exchange rates of other currencies against the USD.

4.1. Financial risk factors (Cont.)

(i) Foreign exchange rate risk (Cont.)

Exposure to fluctuations in foreign exchange rate is reviewed periodically. The Company intends to counteract the potentially negative impact of variations in the exchange rates, using different financial instruments and derivatives, if necessary.

Exposure to the Argentine peso was USD 106 million (assets) at December 31, 2024.

Tecpetrol estimates that a 1% depreciation/revaluation of the ARS in respect to USD would result in a (loss)/profit of USD 1.1 million at December 31, 2024.

(ii) Interest rate risk

Tecpetrol is exposed to cash flow risks generated by the volatility of the interest rate, mainly related to short-term investments and borrowings.

The following table summarizes the proportions of variable-rate and fixed-rate debt at each year-end:

	December 31,			
	2024		2023	
	Amount	Percentage	Amount	Percentage
Fixed rate	381,540,420	70%	109,680,527	24%
Floating rate	161,217,270	30%	348,034,452	76%
	542,757,690		**457,714,979**	

If interest rates on the accumulated nominal average of borrowings held during the year at floating rates had been 50 basis points higher with all other variables remaining constant, net profit (loss) at December 31, 2024, would have been USD 0.3 million lower (for loans in ARS) and USD 1 million lower (for loans in USD). Note 24 includes information concerning the interest rates applicable to main borrowings.

(iii) Credit risk concentration

Tecpetrol's financial assets which are potentially exposed to credit risk concentrations are mainly deposits in financial institutions, short-term investments and trade receivables and other receivables.

As regards deposits in financial institutions, the Company reduces its exposure to significant concentrations of credit risk maintaining its deposits and placing its cash investments with high credit quality financial institutions, either directly or through a related company which acts as a financial agent.

Tecpetrol sets out certain guidelines for the investment in financial assets. At December 31, 2024, investments consist in Argentine sovereign bonds.

With regards to trade receivables, the Company implements policies to ensure that products are sold to customers with an appropriate credit history, or, if not available, letters of credit. Tecpetrol actively monitors the credit history of its customers, determining individual credit lines which are reviewed periodically and identifying cases where insurance, credit letters or other instruments intended to mitigate credit risks are necessary. For credit analysis purposes, the Company uses internal information about the performance of its customers as well as external sources.

At December 31, 2024, 27% of the trade receivables are guaranteed with credit insurance (18% at December 31, 2023) and 3% with guarantees (1% at December 31, 2023).

4. Financial risk management (Cont.)

4.1. Financial risk factors (Cont.)

Tecpetrol sells to Compañía Administradora del Mercado Mayorista Eléctrico S.A. (CAMMESA) and Energía Argentina S.A. (ENARSA), state-controlled companies, mostly under the National Public Bidding – Reinsurance and Enhancement Plan of Hydrocarbon Production, Self-supply, Exports, Import Substitution and Expansion of the Transportation System for all Hydrocarbon Basins in the Country for the period 2023-2028 established under Decree No. 892/20 (as amended by Decree No. 730/22) and Resolution No. 317/2020 from the Office of the Secretary of Energy (hereinafter referred to as "Plan Gas.Ar"). At December 31, 2024, CAMMESA and ENARSA represented 28% (24% at December 31, 2023) and 27% (12% at December 31, 2023), respectively, of all trade receivables of Tecpetrol.

Regarding other receivables, at December 31, 2024 and 2023, 10% and 14%, respectively, corresponded to incentives granted by the national government.

(iv) Liquidity risk

The financial strategy seeks to maintain adequate financial resources and access to credit facilities to finance the operations of the Company. During 2024, Tecpetrol used cash flows from its operations as well as external financing.

Tecpetrol has a conservative strategy as regards liquidity management, which consists in maintaining a substantial portion of its funds in cash, liquid funds and short-term investments.

At December 31, 2024, Tecpetrol has a negative working capital of USD 65.7 million, which was mainly generated by borrowings. This situation is periodically monitored by the members of the Board and management. The Company has different alternatives to adequately cancel the commitments assumed.

The following table shows the maturity of our financial debt:

	< 1 year	1-2 years	2-5 years	> 5 years
At December 31, 2024				
Borrowings	169,497,566	225,762,656	147,497,468	-
Lease liabilities	17,785,448	9,002,201	14,852,045	2,543,747
Trade and other payables	176,290,753	-	-	-
Interest on unpaid borrowings not yet accrued	15,148,792	12,353,035	18,295,637	-
Total	**378,722,559**	**247,117,892**	**180,645,150**	**2,543,747**

	< 1 year	1-2 years	2-5 years	> 5 years
At December 31, 2023				
Borrowings	294,260,341	117,586,506	45,868,132	-
Lease liabilities	13,094,981	6,904,798	4,489,556	3,395,344
Trade and other payables	188,481,689	-	-	-
Interest on unpaid borrowings not yet accrued	91,214,377	14,983,284	7,375,647	-
Total	**587,051,388**	**139,474,588**	**57,733,335**	**3,395,344**

Notes to Financial Statements at December 31, 2024 (Cont.)

4. Financial risk management (Cont.)

4.1. Financial risk factors (Cont.)

(v) Price risk

The Company is exposed to the variation of international crude oil prices, given that it exports part of its production, and the sales price agreed in the domestic market is determined considering such international prices. A USD 1 variation in the reference price of the barrel of crude oil, with all other variables remaining constant, would imply an impact in net profit / (loss) of USD 3 million for the year ended on December 31, 2024.

Regarding the gas sales, a variation of USD 0.1 per million of BTU, with all other variables remaining constant, would imply an impact in net profit / (loss) of the Company of USD 4.3 million for the year ended on December 31, 2024. It should be noted that this sensitivity analysis does not consider sales revenues obtained under Plan Gas.Ar since such plan sets fixed prices.

At December 31, 2024 the Company does not have derivative financial instruments to mitigate this price risk.

Additionally, Tecpetrol's short-term investments in financial instruments are exposed to the risk of price change due to fluctuations in relation to the future values of such assets. Management periodically monitors the evolution of such prices.

At December 31, 2024 investments in financial instruments at fair value through profit or loss amounts to USD 15.2 million.

Tecpetrol estimates that a 10% variation in the market price of such investments would have resulted in a profit /(loss) of USD 2 million at December 31, 2024. This sensitivity analysis shows the impact of a price variation and does not consider other variables which might influence the measurement of these assets.

(vi) Capital risk

The Company seeks to maintain an adequate level of indebtedness over total equity considering the industry and the markets in which it operates. The net debt/total equity ratio ("net debt" comprises financial borrowings less cash and cash equivalents and other investments and "equity" is the aggregate of net debt and equity) is 0.25 at December 31, 2024, compared to 0.26 at December 31, 2023. The Company does not have to comply with regulatory capital adequacy requirements.

Notes to Financial Statements at December 31, 2024 (Cont.)

4.2. Financial instruments by category

Financial instruments by category are disclosed below:

At December 31, 2024	At fair value through profit or loss	At amortized cost	At fair value through other comprehensive income	Total
Assets				
Investments in equity instruments at fair value	-	-	15,186,623	15,186,623
Other receivables	-	37,173,102	-	37,173,102
Trade receivables	-	144,881,307	-	144,881,307
Other investments	16,963,148	-	-	16,963,148
Cash and cash equivalents	35,189,703	11,567,585	-	46,757,288
Total	**52,152,851**	**193,621,994**	**15,186,623**	**260,961,468**

At December 31, 2024	At amortized cost	Total
Liabilities		
Borrowings	542,757,690	542,757,690
Lease liabilities	44,183,441	44,183,441
Trade and other payables	176,290,753	176,290,753
Total	**763,231,884**	**763,231,884**

At December 31, 2023	At fair value through profit or loss	At amortized cost	At fair value through other comprehensive income	Total
Assets				
Investments in equity instruments at fair value	-	-	17,585,085	17,585,085
Other receivables	-	29,440,673	-	29,440,673
Trade receivables	-	118,665,323	-	118,665,323
Other investments	79,210,319	-	-	79,210,319
Cash and cash equivalents	3,979,766	883,308	-	4,863,074
Total	**83,190,085**	**148,989,304**	**17,585,085**	**249,764,474**

At December 31, 2023	At amortized cost	Total
Liabilities		
Borrowings	457,714,979	457,714,979
Lease liabilities	27,884,679	27,884,679
Trade and other payables	188,481,689	188,481,689
Total	**674,081,347**	**674,081,347**

4.3. Fair value estimate

Fair value hierarchies

Financial instruments measured at fair value can be classified into any of the following hierarchical levels, depending on how the fair value is estimated:

Level 1 – Based on quoted prices in active markets for identical assets and liabilities. The fair value of financial instruments traded in active markets is based on the market quoted price at the end of the reporting period. A market is considered active when the quoted prices are available and such prices represent transactions made between independent parties on a regular basis.

Level 2 – Based on market inputs (other than quoted market prices included within Level 1) that are observable for assets and liabilities, either directly (e.g., prices) or indirectly (e.g., derived from prices). For the fair value estimation, the Company applies a series of methods and assumptions based on the market conditions existing at the closing date. The fair value of financial instruments that are not traded in an active market is determined by means of standard valuation techniques which maximize the use of observable market inputs.

Level 3 – Based on information not observable in the market (for example, discounted cash flows).

The following table presents the financial assets and liabilities measured at fair value by hierarchy level at December 31, 2024 and 2023:

At December 31, 2024	**Level 1**	**Level 3**
Assets		
Investments in equity instruments at fair value	-	15,186,623
Other investments	16,963,148	-
Cash and cash equivalents	35,189,703	-
Total	**52,152,851**	**15,186,623**

At December 31, 2023	**Level 1**	**Level 3**
Assets		
Investments in equity instruments at fair value	-	17,585,085
Other investments	79,210,319	-
Cash and cash equivalents	3,979,766	-
Total	**83,190,085**	**17,585,085**

There were no transfers among levels 1, 2 and 3 during the years ended on December 31, 2024 and 2023.

4.3. Fair value estimate (Cont.)

Fair value hierarchies (Cont.)

For the purpose of estimating the fair value of cash equivalents, the Company generally uses the historical cost which approximates to fair value.

At December 31, 2024 and 2023, the carrying value of cash, other investments, trade and other receivables and trade and other payables, and lease liabilities, less any allowance for impairment, if applicable, approximates their fair value. Moreover, the fair value of borrowings did not significantly differ from their carrying value at December 31, 2024 and 2023. In all cases, the fair values were determined based upon discounted cash flows using the market rates and they were classified as Level 2. Tecpetrol estimates that the fair value of its negotiable obligations is approximately 101.8% of its carrying amount in 2024.

5. Critical accounting estimates and judgments

The preparation of financial statements requires management to make estimates and judgments regarding future events. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ significantly from these estimates. The most significant estimates and assumptions are detailed below:

(a) Hydrocarbon reserves (*)

Reserves are the volumes of oil and gas (expressed in oil equivalent m^3) which generate or are related to any economic income, in the areas where Tecpetrol operates or has a direct or indirect participation and over which Tecpetrol has exploitation rights.

There are numerous factors that generate uncertainty regarding the estimation of proved reserves and future production profiles, development costs and prices, including several factors beyond the control of the hydrocarbon producer. The procedure for calculating reserves is a subjective process of estimating crude oil and natural gas to be recovered from the subsoil; and which involves certain level of uncertainty. Reserves are estimated based on the quality of geological and engineering information available at the date of calculation and interpretation.

Developed and undeveloped hydrocarbon proved reserves estimated at December 31, 2024, are disclosed below:

Crude oil

Developed proved reserves: 2.48 million m^3

Undeveloped proved reserves: 5.31 million m^3

(*) Information not covered by the Independent Auditor's Report on the financial statements.

Notes to Financial Statements at December 31, 2024 (Cont.)

5. Critical accounting estimates and judgments (Cont.)

(a) Hydrocarbon reserves (*) (Cont.)

Natural gas

Developed proved reserves: 14.28 billion m^3

Undeveloped proved reserves: 78.58 billion m^3

The above-mentioned reserves are constituted by proved reserves likely to be extracted. The estimates of our reserves were based upon the information provided by the engineers, geologists and geophysicists of the Company and certified by an independent auditor of reserves.

(*) Information not covered by the Independent Auditor's Report on the financial statements.

The estimates of reserves are based on technological and economic conditions in force at December 31, 2024, considering the economic assessment within the term of the concession agreement in order to determine the period for recoverability. Reserve estimates are adjusted at least on an annual basis or whenever changes in the aspects considered for their evaluation justify it.

(b) Impairment of non-financial long-term assets

The assessment of recoverability of non-financial long-term assets implies that management makes a series of critical estimates and assumptions described in Note 18.

(c) Provision for asset retirement obligations

Obligations related to well decommissioning and restoration, after the completion of operations, led management to make estimates of both long-term asset retirement obligations costs and the remaining period until decommission. Technology, costs and political, environmental and safety considerations constantly change, giving rise to possible differences between future costs and estimates.

(d) Contingencies

Tecpetrol is subject to various claims, lawsuits and other legal proceedings which arise during the ordinary course of business. Liabilities related to such complaints, lawsuits and other legal proceedings cannot be accurately estimated. The Company reviews the status of each contingency and assesses the potential financial exposure. If the related potential loss is considered probable and the amount can be reasonably estimated, a provision is recorded. Management, with the assistance of legal counsel, estimate the amount of this provision based on the information available and the assumptions and methods that are considered appropriate. Estimates are periodically reviewed and adjusted as the Company obtains additional information.

6. Segment information

	Year ended on December 31, 2024			
	Neuquina basin	**Noroeste - San Jorge and other basins**	**Others (1)**	**Total**
	In thousands			
Sales revenues - Managerial view	1,273,793	122,017	11,756	1,407,566
Effect of hydrocarbon inventory valuation	(7,016)	(2,873)	-	(9,889)
Sales revenues - IFRS				**1,397,677**
Gas	927,968	32,925	1,202	962,095
Oil	338,283	86,087	7,472	431,842
Other services	526	132	3,082	3,740
Sales revenues - IFRS				**1,397,677**
Operating profit (loss) - Managerial view	285,985	(18,525)	(12,542)	254,918
Adjustment of hydrocarbon inventory valuation	(7,204)	(1,050)	-	(8,254)
Depreciation and impairment differences	103,001	(43,817)	-	59,184
Administrative expenses (2)				(110,681)
Operating profit - IFRS				**195,167**
Depreciation and impairment of PPE (3) - Managerial view	(551,388)	(57,021)	(3,677)	(612,086)
Depreciation and impairment differences	103,001	(43,817)	-	59,184
Depreciation and impairment of PPE - IFRS				**(552,902)**
PPE - Managerial view	1,520,012	75,500	19,895	1,615,407
Accumulated depreciation and impairment differences				73,503
PPE - IFRS				**1,688,910**
Investments in PPE	621,045	27,057	11,605	659,707
Investments in PPE				**659,707**

(1) It corresponds to other activities of the Company not included under the defined operating segments.
(2) It corresponds to expenses not allocated to operating profit (loss) of defined reportable segments.
(3) PPE: Property, plant and equipment.

Notes to Financial Statements at December 31, 2024 (Cont.)

6. Segment information (cont.)

	Year ended on December 31, 2023			
	Neuquina basin	**Noroeste - San Jorge and other basins**	**Others (1)**	**Total**
	In thousands			
Sales revenues - Managerial view	1,174,778	133,372	5,144	1,313,294
Effect of hydrocarbon inventory valuation	1,539	10,617	-	12,156
Sales revenues - IFRS				**1,325,450**
Gas	879,325	27,918	1,563	908,806
Oil	292,590	115,916	689	409,195
Other services	4,402	155	2,892	7,449
Sales revenues - IFRS				**1,325,450**
Operating profit (loss) - Managerial view	239,919	(30,088)	(7,101)	202,730
Adjustment of hydrocarbon inventory valuation	(1,054)	5,505	-	4,451
Depreciation and impairment differences	9,308	(3,567)	-	5,741
Administrative expenses (2)				(105,573)
Operating profit - IFRS				**107,349**
Depreciation and impairment of PPE (3) - Managerial view	(557,006)	(89,936)	(2,346)	(649,288)
Depreciation and impairment differences	9,308	(3,567)	-	5,741
Depreciation and impairment of PPE - IFRS				**(643,547)**
PPE - Managerial view	1,421,059	84,058	13,272	1,518,389
Accumulated depreciation and impairment differences				14,193
PPE - IFRS				**1,532,582**
Investments in PPE	602,678	71,684	6,995	681,357
Investments in PPE				**681,357**

(1) It corresponds to other activities of the Company not included under the defined operating segments.
(2) It corresponds to expenses not allocated to operating profit (loss) of defined reportable segments.
(3) PPE: Property, plant and equipment.

Depreciation and impairment differences mainly arise from the difference in acquisition costs resulting from the property, plant and equipment valuation criteria adopted upon transition to IFRS; and from the different criteria of depreciation of seismic exploration, which under management view, is depreciated using the straight-line method in a four-year period; whereas, under IFRS, pursuant to the unit-of-production method.

The adjustment of the hydrocarbon inventory valuation arises since under management view, the hydrocarbon inventory is measured at its net realizable value; whereas under IFRS, it is measured at cost, using the weighted average cost formula or the net realizable value, whichever is the lowest.

6. Segment information (cont.)

At December 31, 2024, main sales revenue destinations were Argentina 77.8%, United States 8.7% and Chile 5.6%, whereas at December 31, 2023, it corresponded Argentina 70.8%, Chile 8.8% and United States 7.2%. The allocation of sales revenues is based on customer location.

At December 31, 2024, ENARSA, CAMMESA and Raizen Argentina S.A.U represented 20.2%, 16.9% and 12.4%, respectively, of sales revenues without taking into account the incentives paid directly by the national government, whereas at December 31, 2023, CAMMESA and ENARSA represented 15.7% and 11.1% respectively.

7. Sales revenues

	Year ended on December 31,	
	2024	**2023**
Gas (i)	962,094,632	908,806,227
Oil	431,842,040	409,195,012
Other services	3,740,354	7,448,718
	1,397,677,026	**1,325,449,957**

(i) It includes USD 81.8 million and USD 94.8 million due to incentives from Plan Gas.Ar for years ended on December 31, 2024 and 2023, respectively.

8. Operating costs

	Year ended on December 31,	
	2024	**2023**
Inventories at the beginning of the year	(39,179,433)	(35,946,349)
Purchases, consumptions and production costs	(1,011,229,497)	(1,036,639,949)
Inventories at year-end	64,539,796	39,179,433
Operating costs	**(985,869,134)**	**(1,033,406,865)**

	Year ended on December 31,	
	2024	**2023**
Labor costs	(66,051,215)	(61,825,654)
Fees and services	(8,185,077)	(9,854,386)
Maintenance operations and wells service costs	(134,424,193)	(108,506,692)
Depreciation of property, plant and equipment	(467,119,033)	(543,531,184)
Impairment of property, plant and equipment (Note 15)	(82,105,425)	(97,670,268)
Depreciation of right-of-use assets	(18,767,837)	(11,165,635)
Treatment and storage	(9,883,995)	(7,042,233)
Royalties and other taxes (i)	(161,438,816)	(148,362,884)
Others	(33,241,919)	(36,869,470)
Purchases and stock consumptions	(30,011,987)	(11,811,543)
Purchases, stocks consumptions and production costs	**(1,011,229,497)**	**(1,036,639,949)**

(i) Royalties are paid for the production of crude oil and natural gas ranging from 11% to 17% of said production, valued on the basis of the prices obtained from the commercialization of hydrocarbons, less deductions provided by the legislation for the treatment of the product.

Notes to Financial Statements at December 31, 2024 (Cont.)

9. Selling expenses

	Year ended on December 31, 2024	2023
Taxes and rights	(47,971,564)	(45,553,199)
Storage and transport	(33,992,930)	(31,051,030)
Allowance for doubtful accounts	(19,782,398)	(283,880)
Other expenses	(186,623)	(215,323)
	(101,933,515)	**(77,103,432)**

10. Administrative expenses

	Year ended on December 31, 2024	2023
Labor costs	(68,846,682)	(73,825,226)
Fees and services	(16,602,857)	(15,274,377)
Depreciation of property, plant and equipment	(3,677,196)	(2,345,681)
Depreciation of right-of-use assets	(1,793,850)	(2,091,200)
Taxes	(21,817,544)	(17,436,670)
Office expenses	(14,140,509)	(12,227,682)
Reimbursement of expenses (i)	12,519,969	15,281,896
	(114,358,669)	**(107,918,940)**

(i) These are not liable to association or proration in connection with each line involved in the costs and/or expenses notes, but rather in connection with the tasks which constitute the function of the operator.

11. Labor costs (included in Operating costs and Administrative expenses)

	Year ended on December 31, 2024	2023
Salaries, wages and others	(101,557,967)	(95,858,633)
Social security costs	(20,067,762)	(25,018,781)
Employee benefits (Note 25)	(13,272,168)	(14,773,466)
	(134,897,897)	**(135,650,880)**

12. Other operating income / (expenses), net

	Year ended on December 31, 2024	2023
Other operating income		
Profit from the sale of property, plant, equipment and materials	-	1,125,085
Reversal of provision for asset retirement obligations	-	40,601
Reimbursements and compensations	2,800,000	-
Other income with related companies	-	996,000
Others	1,471,739	2,789,219
	4,271,739	**4,950,905**
Other operating expenses		
Provision for legal claims and contingencies	(91,387)	(220,346)
Loss from the sale of property, plant, equipment and materials	(312,744)	-
Others	(2,374,039)	(1,285,888)
	(2,778,170)	**(1,506,234)**

Notes to Financial Statements at December 31, 2024 (Cont.)

13. Financial results

	Year ended on December 31,	
	2024	**2023**
Dividend income	2,077,985	2,110,000
Interest income	28,528,133	36,320,082
Financial income	**30,606,118**	**38,430,082**
Interest cost	(104,499,106)	(280,484,782)
Financial costs	**(104,499,106)**	**(280,484,782)**
Net (loss) / profit from exchange differences	(24,365,785)	187,133,091
Profit from purchase and sale of marketable securities (*)	16,162,268	29,451,332
Changes in the fair value of derivative instruments	(164,829)	-
Profit / (loss) from the holding of other investments	30,183,350	(8,961,450)
Other net financial loss	(791,241)	(1,375,811)
Other net financial profit	**21,023,763**	**206,247,162**
Net financial results	**(52,869,225)**	**(35,807,538)**

(*) From the settlement of foreign currency under Resolution No. 808/2023 from the Secretary of Energy, subsequently extended; and Decree No. 28/2023.

14. Income tax

	Year ended on December 31,	
	2024	**2023**
Deferred income tax - profit / (loss) (Note 28)	206,681,928	(96,493,650)
	206,681,928	**(96,493,650)**

Income tax on Tecpetrol's before-tax profit differs from the theoretical amount that would result from applying the current tax rate, as shown below:

	Year ended on December 31,	
	2024	**2023**
Profit before income tax	143,998,558	74,132,710
Tax rate in force	35%	35%
Tax calculated at the tax rate	**(50,399,495)**	**(25,946,449)**
Equity in earnings from investments accounted for using the equity method	595,115	906,771
Effect of currency translation adjustment of tax base	(75,303,632)	(327,814,144)
Effect from tax inflation adjustment	335,097,760	257,109,363
Non-taxable income, non-deductible expenses and others	(3,307,820)	(749,191)
Income tax - profit / (loss)	**206,681,928**	**(96,493,650)**

15. Property, plant and equipment - Exploration, evaluation and development assets

	Year ended on December 31, 2024						
	Development and production assets	**Machinery and equipment**	**Asset retirement obligations**	**Exploration and evaluation**	**Works in progress**	**Others**	**Total**
Cost							
At the beginning of the year	3,439,571,480	1,370,222,676	36,994,703	70,161,588	299,363,333	69,331,640	5,285,645,420
Additions	5,555,317	1,844,028	54,711,013	800,962	639,489,276	10,605,261	713,005,857
Transfers from right-of-use assets	-	-	-	-	1,412,572	-	1,412,572
Transfers	492,111,502	92,541,883	-	(13,752,893)	(577,879,363)	6,978,871	-
Disposals	-	-	-	-	(3,545,106)	(1,790,977)	(5,336,083)
At year-end	3,937,238,299	1,464,608,587	91,705,716	57,209,657	358,840,712	85,124,795	5,994,727,766
Depreciation and impairments							
At the beginning of the year	2,589,508,681	1,071,179,653	23,569,420	25,979,050	-	42,827,059	3,753,063,863
Depreciation charge	349,108,830	109,860,147	6,165,233	-	-	5,662,019	470,796,229
Impairment charge (Note 18)	36,200,407	8,083,359	6,879,591	30,669,671	-	272,397	82,105,425
Disposals	-	-	-	-	-	(147,832)	(147,832)
At year-end	2,974,817,918	1,189,123,159	36,614,244	56,648,721	-	48,613,643	4,305,817,685
Residual value at December 31, 2024	**962,420,381**	**275,485,428**	**55,091,472**	**560,936**	**358,840,712**	**36,511,152**	**1,688,910,081**

15. Property, plant and equipment - Exploration, evaluation and development assets (cont.)

	Year ended on December 31, 2023						
	Development and production assets	**Machinery and equipment**	**Asset retirement obligations**	**Exploration and evaluation**	**Works in progress**	**Others**	**Total**
Cost							
At the beginning of the year	2,953,530,534	1,185,713,428	26,903,043	153,350,377	255,455,871	61,284,480	4,636,237,733
Additions	9,876,375	-	10,946,608	-	661,163,673	7,333,453	689,320,109
Transfers from right-of-use assets	-	-	-	-	2,983,150	-	2,983,150
Transfers	506,911,537	186,681,406	-	(83,188,789)	(613,030,733)	2,626,579	-
Disposals	(30,746,966)	(2,172,158)	(854,948)	-	(7,208,628)	(1,912,872)	(42,895,572)
At year-end	3,439,571,480	1,370,222,676	36,994,703	70,161,588	299,363,333	69,331,640	5,285,645,420
Depreciation and impairments							
At the beginning of the year	2,149,995,448	933,293,126	22,542,925	-	-	37,941,833	3,143,773,332
Depreciation charge	412,138,440	126,406,163	1,881,443	-	-	5,450,819	545,876,865
Impairment charge (Note 18)	58,038,696	13,652,522	-	25,979,050	-	-	97,670,268
Disposals	(30,663,903)	(2,172,158)	(854,948)	-	-	(565,593)	(34,256,602)
At year-end	2,589,508,681	1,071,179,653	23,569,420	25,979,050	-	42,827,059	3,753,063,863
Residual value at December 31, 2023	**850,062,799**	**299,043,023**	**13,425,283**	**44,182,538**	**299,363,333**	**26,504,581**	**1,532,581,557**

16. Leases

(a) Right-of-use assets and lease liabilities

The following tables show the evolution of right-of-use assets and lease liabilities from contracts in which the Company acts as lessee, disclosed in the Statement of Financial Position at December 31, 2024 and 2023:

Right-of-use assets

	Year ended on December 31, 2024				
	Drilling equipment	Other equipment	Offices	Others (*)	Total
At the beginning of the year	571,956	17,446,158	9,799,715	14,905,212	42,723,041
Net additions	20,726,893	6,680,387	598,606	4,759,236	32,765,122
Transfers to property, plant and equipment	(1,259,317)	-	-	(153,255)	(1,412,572)
Depreciation charge	(626,065)	(9,214,566)	(3,083,580)	(7,637,476)	(20,561,687)
At year-end	**19,413,467**	**14,911,979**	**7,314,741**	**11,873,717**	**53,513,904**

	Year ended on December 31, 2023				
	Drilling equipment	Other equipment	Offices	Others (*)	Total
At the beginning of the year	3,327,941	6,915,747	12,467,878	7,010,875	29,722,441
Net additions	354,661	16,757,173	712,769	11,415,982	29,240,585
Transfers to property, plant and equipment	(2,548,954)	-	-	(434,196)	(2,983,150)
Depreciation charge	(561,692)	(6,226,762)	(3,380,932)	(3,087,449)	(13,256,835)
At year-end	**571,956**	**17,446,158**	**9,799,715**	**14,905,212**	**42,723,041**

(*) Including other equipment and transport contracts.

Lease liabilities

	Year ended on December 31,	
	2024	2023
At the beginning of the year	27,884,679	21,944,591
Exchange differences	(571,586)	(9,585,622)
Net additions	32,747,535	29,215,679
Interest accrued (i)	1,943,170	1,058,416
Payments	(17,820,357)	(14,748,385)
At year-end	**44,183,441**	**27,884,679**

(i) Included under Financial costs in the Income Statement at December 31, 2024 and 2023.

	December 31, 2024	December 31, 2023
Non-current	26,397,993	14,789,698
Current	17,785,448	13,094,981
	44,183,441	**27,884,679**

16. Leases (Cont.)

(b) Operating leases

Until September 30, 2023, the Company maintained an agreement through which it provided equipment on lease a coiled tubing unit (CTU) in order to offer services to oil and gas companies in Argentina. This agreement ended on September 30, 2023.

At December 31, 2023, revenues from operating leases totaled USD 2.5 million are included in *Other services* under *Sales revenues* in the Income Statement.

17. Investments accounted for using the equity method

Equity in earnings from investments accounted for using the equity method, as recognized in the Income Statement, are disclosed below:

	Year ended on December 31,	
	2024	**2023**
Equity in earnings from investments accounted for using the equity method	1,700,329	2,590,774
	1,700,329	**2,590,774**

The evolution of investments accounted for using the equity method is disclosed below:

	Year ended on December 31,	
	2024	**2023**
At the beginning of the year	5,970,772	3,379,998
Profit from investments in entities accounted for using the equity method	1,700,329	2,590,774
At year-end	**7,671,101**	**5,970,772**

At December 31, 2024 and 2023, the Company held 15% of the share capital of Oleoducto Loma Campana - Lago Pellegrini S.A. and YPF S.A. held the remaining 85%. Both shareholders exercise joint control over such company, pursuant to the Shareholders' Agreement.

In January 2025 Tecpetrol agreed with YPF S.A. -subject to the fulfillment of certain conditions precedent and other prerequisites - the sale of its interest in OLCLP and entered into an agreement for the reserve of capacity and the provision of transportation services through the Vaca Muerta Sur Pipeline - Section 1 for the committed capacity of 2,500 M^3/d and an additional capacity of up to 2,000 M^3/d in excess to the committed capacity, as requested by Tecpetrol and for the term of 15 years. The sale price of the OLCP interest amounts to USD 15 million, out of which USD 13.6 million will be offset against the Company's payment obligation under the aforementioned firm transportation service agreement and USD 1.4 million will be paid in cash. As of the date of issuance of these Financial Statements, the transfer of the OLCP shares has not been completed.

17. Investments accounted for using the equity method (cont.)

Accounting information from Oleoducto Loma Campana - Lago Pellegrini S.A. is disclosed below:

	Year ended on December 31,	
	2024	**2023**
Share capital	19,422,913	19,422,913
Profit for the year	11,335,531	17,271,829
Equity	51,140,679	39,805,148
Holding of common shares (1 vote)	130,260	130,260

18. Impairment of non-financial long-term assets

The Company analyses *Property, plant and equipment - Exploration, evaluation and development assets* and *Right-of-use assets* for impairment periodically or whenever events or changes in the circumstances indicate that the carrying amount may not be recoverable.

The recoverable amount of each CGU (considering a CGU as each area in which Tecpetrol S.A has interest) is estimated as the higher between the asset's fair value less costs to sell and the asset's value in use. The value in use is calculated based on discounted cash flows, applying a discount rate based on the weighted average cost of capital (WACC), which considers the risks of the country where the CGU operates and its specific characteristics.

The determination of the discounted cash flows is based on projections approved by management and includes a set of sensitive estimates and assumptions, such as changes in hydrocarbons production levels, sales prices, the evolution of the curve of future hydrocarbon prices, inflation, exchange rates, costs and other expenditures, on the basis of the best estimate the Company foresees regarding its operations and available market information.

Cash flow derived from the different CGUs is usually projected for a period that covers the existence of commercially exploitable reserves and is limited to the existence of reserves for the term of the concession or contract.

In 2024 Tecpetrol has recognized impairment charges for USD 82.1 million in exploration, evaluation and development assets in the following CGUs:

- El Tordillo and La Tapera - Puesto Quiroga CGU (Noroeste – San Jorge basin and others segment) for USD 38.5 million in the second quarter of 2024, mainly as a consequence of an increase in operating costs and a well performance lower than expected. The recoverable amount at June 30, 2024, was estimated based on its value in use and amounted to USD 36.5 million. Main assumptions considered by management were the pre-tax discount rate, which was estimated at 18.06%, and future prices for the next 5 years of gas (with prices ranging from USD 4.3 to USD 10.3 per million BTU) and oil (with Brent prices ranging from USD 69.2 to USD 82.3 per barrel). A variation of 100 basis points in the discount rate would have generated an increase/(decrease) in the recoverable amount of 4.2% and a variation of USD 1 per barrel in the projections of crude oil prices would have generated an increase/(decrease) in the recoverable amount of 10.8%.
- Loma Ancha (Cuenca Neuquina segment) for USD 30.7 million in the fourth quarter of 2024, resulting the CGU fully impaired at December 31, 2024 considering the period necessary to develop the area and the remaining term of the contract. The recoverable amount at December 31, 2024 was estimated based on its value in use.

18. Impairment of non-financial long-term assets (Cont.)

- Other CGUs for USD 8.7 million in the fourth quarter of 2024 (Punta Senillosa, Los Bastos and Agua Salada in Cuenca Neuquina segment for USD 2.9 million, USD 2.4 million y USD 3.4 million, respectively, and Aguaragüe USD 4.2 millon in Noroeste – San Jorge basin and others segment) mainly as a consequence of higher operating costs and a lower performance of investments than expected. In all cases, the recoverable amount at December 31, 2024 was estimated based on its value in use and amounted to USD 3.9 million in Punta Senillosa, USD 1.7 million in Los Bastos, USD 3.7 million in Agua Salada and USD 10.2 million in Aguaragüe. Main assumptions considered by management were the pre-tax discount rate, which was estimated in average at 35.3%, and future prices for the next 5 years of gas (with prices ranging from USD 2.2 to USD 4.4 per million BTU) and oil (with Brent prices ranging from USD 74.1 to USD 73.2 per barrel). A variation of 100 basis points in the discount rate would have generated an increase/(decrease) in the recoverable amounts between 2% and 0.3% and a variation of USD 1 per barrel in the projections of crude oil prices would have generated an increase/(decrease) in the recoverable amounts between 1.8% and 0.3%.

In 2023 Tecpetrol has recognized impairment charges for USD 97.7 million in exploration, evaluation and development assets in the following CGUs:

- El Tordillo and La Tapera - Puesto Quiroga CGU (Noroeste – San Jorge basin and others segment) for USD 71.7 million mainly as a consequence of a decrease in sales prices, an increase in investment costs and a well performance lower than expected. The recoverable amount at December 31, 2023 was estimated based on its value in use and amounted to USD 78.7 million
- Loma Ancha CGU (Neuquina basin segment) for USD 26.0 million mainly as a result of the gas oversupply in Argentina, which affects the value of the area. The recoverable amount at December 31, 2023 was estimated based on its fair value less costs to sell and amounted to USD 30.3 million.

Impairment charges are included under *Operating costs* in the Income Statement for the years ended on December 31, 2024 and 2023.

19. Investments in equity instruments at fair value

	December 31,	
	2024	**2023**
Non-quoted investments	15,186,623	17,585,085

The evolution of investments in equity instruments at fair value is as follows:

	Year ended on December 31,	
	2024	**2023**
At the beginning of the year	17,585,085	19,794,104
Changes in the fair value	(2,398,462)	(2,209,019)
At year-end	**15,186,623**	**17,585,085**

19. Investments in equity instruments at fair value (Cont.)

The following table details the main investments in equity instruments at fair value:

Company	Country	Interest % Dec-24	Interest % Dec-23	December 31, 2024	December 31, 2023
Tecpetrol del Perú S.A.C.	Peru	2.00%	2.00%	7,978,716	9,536,676
Tecpetrol Bloque 56 S.A.C.	Peru	2.00%	2.00%	2,370,634	2,153,170
Oleoductos del Valle S.A.	Argentina	2.10%	2.10%	3,254,463	4,348,119
Terminales Marítimas Patagónicas S.A.	Argentina	4.20%	4.20%	903,000	903,000
Tecpetrol Operaciones S.A. de C.V.	Mexico	0.95%	0.95%	442,498	407,122
Tecpetrol Colombia S.A.S.	Colombia	0.15%	0.15%	231,944	230,768
Other investments				5,368	6,230
Total				**15,186,623**	**17,585,085**

The 6% and 5% of the investments in equity instruments at fair value were in ARS, while the remaining were in USD at December 31, 2024 and 2023.

The fair value of the investments is estimated on the basis of discounted cash flows, which includes a set of sensitive estimates and assumptions, such as changes in hydrocarbons production levels, sale price, the evolution of the curve of future oil prices, inflation, exchange rates, collection of dividends, costs and other expenditures, on the basis of the best estimate the Company foresees regarding the evolution of its investments and available market information.

Since the different factors used for calculating cash flows are closely interrelated, management considers that a sensitivity analysis based on one single variable might not be representative.

20. Other receivables and prepayments

	December 31, 2024	December 31, 2023
Non current		
Advances to suppliers and expenses paid in advance	87,021,806	26,744,218
Employees loans and advances	4,123,929	870,711
Other receivables from related parties (Note 32)	-	165,549
	91,145,735	**27,780,478**
Current		
Receivables (i)	25,395,062	18,793,750
Tax credits	37,172,459	16,809,021
Expenses paid in advance	7,445,320	3,878,752
Employees loans and advances	2,329,419	318,162
Other receivables from related parties (Note 32)	11,930,262	10,823,124
	84,272,522	**50,622,809**
Allowance for doubtful accounts	(152,769)	(178,075)
	84,119,753	**50,444,734**

(i) It includes USD 17.8 million and USD 10.6 million from incentives obtained under Plan Gas.Ar, at December 31, 2024 and 2023, respectively, out of which USD 14.4 million, and 4.0 million were past due, respectively.

20. Other receivables and prepayments (Cont.)

The following table shows the evolution of the allowance for doubtful accounts:

	Year ended on December 31, 2024	2023
Balance at the beginning of the year	(178,075)	(841,550)
Exchange differences	35,689	635,702
(Charge) / reversal of allowance	(4,441,530)	27,773
Uses	4,431,147	-
Balance at year-end	**(152,769)**	**(178,075)**

21. Trade receivables

	December 31, 2024	2023
Trade receivables	143,888,161	113,418,083
Trade receivables from related parties (Note 32)	3,565,960	6,611,457
	147,454,121	**120,029,540**
Allowance for doubtful accounts	(2,572,814)	(1,364,217)
	144,881,307	**118,665,323**

The following table shows the aging of trade receivables:

	Total	Not yet due	Past due 1-180 days	Past due > 180 days
At December 31, 2024				
Trade receivables	147,454,121	125,086,973	20,184,055	2,183,093
Allowance for doubtful accounts	(2,572,814)	(140,503)	(249,218)	(2,183,093)
Net value	**144,881,307**	**124,946,470**	**19,934,837**	**-**
At December 31, 2023				
Trade receivables	120,029,540	112,255,094	6,479,458	1,294,988
Allowance for doubtful accounts	(1,364,217)	(15,551)	(53,678)	(1,294,988)
Net value	**118,665,323**	**112,239,543**	**6,425,780**	**-**

The evolution of the allowance for doubtful accounts is disclosed below:

	Year ended on December 31, 2024	2023
Balance at the beginning of the year	(1,364,217)	(4,520,041)
Exchange differences	(46,881)	3,467,477
Charge of allowance	(15,340,868)	(311,653)
Uses	14,179,152	-
At year end	**(2,572,814)**	**(1,364,217)**

22. Inventories

	December 31, 2024	December 31, 2023
Hydrocarbons	10,585,467	6,938,781
Materials and spare parts	53,954,329	32,240,652
	64,539,796	**39,179,433**

23. Other investments and Cash and cash equivalents

(a) *Other investments*

	December 31, 2024	December 31, 2023
Bonds	16,963,148	79,210,319
	16,963,148	**79,210,319**

(b) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash and banks	11,567,585	883,308
Short-term deposits	35,189,703	3,979,766
	46,757,288	**4,863,074**

24. Borrowings

	December 31, 2024	December 31, 2023
Non-current		
Bank borrowings	105,855,538	137,308,463
Negotiable obligations	267,404,586	26,146,175
	373,260,124	**163,454,638**
Current		
Bank borrowings	144,740,997	233,882,037
Borrowings from related parties (Note 32)	-	2,025,392
Bank overdrafts	-	320,665
Negotiable obligations	24,756,569	58,032,247
	169,497,566	**294,260,341**

The Company must comply with certain covenants according to the borrowing agreements and negotiable obligations. At December 31, 2024 and 2023, Tecpetrol was in compliance with all of its covenants.

The evolution of borrowings is disclosed below:

	Year ended on December 31, 2024	Year ended on December 31, 2023
Balance at the beginning of the year	457,714,979	723,944,828
Proceeds from borrowings	331,856,252	390,180,062
Proceeds from negotiable obligations, net of issuance costs	266,989,216	259,111,537
Payments and offsets of borrowings	(478,690,752)	(525,428,579)
Interest accrued	83,440,301	251,909,561
Interest paid and offset	(95,930,847)	(209,587,021)
Changes in bank overdrafts	(320,665)	(56,331,133)
Exchange differences	(22,300,794)	(376,084,276)
Balance at year-end	**542,757,690**	**457,714,979**

24. Borrowings (Cont.)

The main bank borrowings are detailed below:

Lender	Dec-24	Interest rate	Contract's currency	Amortization of capital	Maturity
Itaú Unibanco S.A. Nassau Branch y Banco Santander S.A. (i)	138,974,074	Term SOFR+2,15%	USD	Quarterly	Jan-25 to Apr-26
Banco Santander S.A.	61,230,904	4.80%	USD	At maturity	Jan-26
Banco Ciudad	15,504,658	4.00%	USD	At maturity	Feb-25
Banco Macro S.A. (ii)	12,557,307	4.00%	USD	At maturity	Feb-25
Banco Galicia	12,007,400	3.05%	USD	At maturity	Apr-25
Banco Galicia	10,322,192	4.00%	USD	At maturity	Mar-25

Lender	Dec-23	Interest rate	Contract´s currency	Amortization of capital	Maturity
Itaú Unibanco S.A. Nassau Branch y Banco Santander S.A. (i)	231,814,223	Term SOFR+2,15%	USD	Quarterly	Jan-24 to Apr-26
Itaú Unibanco S.A. Nassau Branch	65,763,030	5.75%	USD	Quarterly	Mar-24 to Sep-24
J.P. Morgan Chase Bank, Citibank y otros	27,768,116	Adjusted Term SOFR +1,50%	USD	Quarterly	Mar-24 to Sep-24
Banco Citibank	13,394,480	75.00%	ARS	At maturity	Apr-24
Banco Citibank	13,681,937	77.00%	ARS	At maturity	Apr-24
Banco Galicia	10,711,849	75.00%	ARS	At maturity	Apr-24

(i) The Parent Company, Tecpetrol Internacional S.L.U., unconditionally and irrevocably guarantees the above-mentioned loan.

(ii) At the date of issuance of these financial statements, these amounts were paid off.

24. Borrowings (cont.)

Serie	December 31, 2024	December 31, 2023	Interest rate	Contract's currency	Amortization of capital	Maturity
Clase 5	-	51,129,263	Badlar + 2%	ARS	At maturity	jul-24
Clase 6 (i)	22,243,196	33,049,159	Badlar + 3%	ARS	At maturity	jan-25
Clase 7 (ii)	120,931,470	-	5.98%	USD	At maturity	apr-26
Clase 8 (iii)	67,773,445		5.00%	USD	At maturity	oct-27
Clase 9 (iii)	81,213,043		6.80%	USD	At maturity	oct-29

(i) At the date of issuance of these financial statements, the Class 6 negotiable obligations have been cancelled.

(ii) In April 2024, the Company issued Class 7 negotiable obligations for a nominal value of USD 120 million. Funds obtained from the issuance were mainly intended for investments in fixed assets, the integration of working capital and the refinancing of liabilities. In May 2024, the members of the Board of Directors of the Company approved such use of the funds and complied with the requirements set forth in Section 25, Chapter V, Title II of CNV Regulations

(iii) In October 2024, the Company issued Class 8 and Class 9 negotiable obligations for a nominal value of USD 67.4 million and USD 80.5 million, respectively. Funds obtained from the issuances were mainly intended for investments in fixed assets, the integration of working capital and the refinancing of liabilities. In January 2025, the members of the Board of Directors of the Company approved such use of the funds and complied with the requirements set forth in Section 25, Chapter V, Title II of CNV Regulations.

25. Employee benefits

The liability recognized in the Statement of Financial Position and the amounts disclosed in the Income Statement are detailed below:

	December 31, 2024	December 31, 2023
Non-current		
Pension benefits and other plans (i)	20,949,780	16,322,078
Employee retention and long-term incentive program	9,145,677	10,295,442
	30,095,457	**26,617,520**
Current		
Employee retention and long-term incentive program	8,338,077	6,782,776
	8,338,077	**6,782,776**

(i) *There were no enforceable debts at December 31, 2024 and 2023*

	Year ended on December 31, 2024	Year ended on December 31, 2023
Pension benefits and other plans	(7,962,084)	(8,744,807)
Employee retention and long-term incentive program	(5,310,084)	(6,028,659)
Total included in Labor costs (Note 11)	**(13,272,168)**	**(14,773,466)**

25. Employee benefits (Cont.)

Pension benefits and other plans:

The main actuarial assumptions for the employee benefits classified as “unfunded defined benefits” and “other long-term benefits” consider an average discount rate of 7% and 5.7% and a salary increase rate of 2% and 3%, respectively.

The amounts disclosed in the Income Statement are detailed below:

	Year ended on December 31,	
	2024	**2023**
Service costs	(2,883,041)	(4,202,325)
Interest costs	(5,079,043)	(4,542,482)
Total	**(7,962,084)**	**(8,744,807)**

The evolution of liabilities disclosed in the Statement of Financial Position is detailed below:

	Year ended on December 31,	
	2024	**2023**
Balance at the beginning of the year	16,322,078	20,170,799
Services and interest costs	7,962,084	8,744,807
Net actuarial gains	452,713	2,084,380
Exchange and translation differences	(1,984,232)	(10,738,171)
Payments	(1,802,863)	(3,939,737)
Balance at year-end	**20,949,780**	**16,322,078**

At December 31, 2024, a 1% increase/(decrease) in the discount rate would have resulted in a (decrease)/increase in the liabilities of (USD 0.7 million)/USD 0.8 million, respectively; while a 1% increase/(decrease) in the salary increase rate would have resulted in an increase/(decrease) of USD 0.5 million. This sensitivity analysis is based on changes in each assumption at a time, keeping all the other variables constant. Nevertheless, in practice this is unlikely to occur since changes in some assumptions should be correlated.

26. Provisions

	December 31,	
	2024	**2023**
Non-current		
Asset retirement obligations	112,953,781	80,361,169
Provision for other contingencies	894,327	766,483
	113,848,108	**81,127,652**
Current		
Asset retirement obligations	29,235,109	2,854,640
Provision for other contingencies	236,719	302,176
	29,471,828	**3,156,816**

26. Provisions (Cont.)

The evolution of provisions is disclosed below:

Asset retirement obligations

	Year ended on December 31, 2024	2023
Balance at the beginning of the year	83,215,809	56,930,397
Net increases	63,514,206	27,227,105
Uses	(4,541,125)	(941,693)
Balance at year-end	**142,188,890**	**83,215,809**

At December 31, 2024 and 2023, the provision for asset retirement obligation was estimated using inflation rates of 2.1%, and 2.3%, respectively, and discount rates of 7.3%, and 9.2%, respectively.

Other contingencies

	Year ended on December 31, 2024	2023
Balance at the beginning of the year	1,068,659	940,463
Exchange differences	(124,088)	(916,496)
Net increases	186,475	1,044,692
Balance at year-end	**1,131,046**	**1,068,659**

27. Trade and other payables

	December 31, 2024	2023
Trade payables	133,408,146	134,347,172
Payables to related parties (Note 32)	42,739,195	54,066,331
Social security debts and other taxes	22,194,807	22,649,086
Other liabilities	143,412	68,186
	198,485,560	**211,130,775**

28. Deferred income tax

The following table details the evolution of deferred income tax:

	Year ended on December 31, 2024	2023
Balance at the beginning of the year - Net deferred (liabilities) / assets	(36,053,368)	58,988,691
Other comprehensive income	994,806	1,451,591
Profit / (Loss) for the year (Note 14)	206,681,928	(96,493,650)
Balance at year-end - Net deferred assets/(liabilities)	**171,623,366**	**(36,053,368)**

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28. Deferred income tax (Cont.)

The evolution of deferred tax assets and liabilities is detailed below:

Deferred tax liability	**Property, plant and equipment**	**Deferral of tax inflation adjustment**	**Others**	**Total**
At December 31, 2023	**(114,602,398)**	**(109,332,320)**	**(19,483,032)**	**(243,417,750)**
Other comprehensive income	-	-	836,356	836,356
Profit (loss)	114,602,398	70,961,158	4,568,464	190,132,020
At December 31, 2024	**-**	**(38,371,162)**	**(14,078,212)**	**(52,449,374)**

Deferred tax assets	**Property, plant and equipment**	**Provisions/ allowances**	**Tax losses (i)**	**Others**	**Total**
At December 31, 2023	**-**	**16,584,438**	**190,429,181**	**350,763**	**207,364,382**
Other comprehensive income	-	158,450	-	-	158,450
Profit (loss)	174,852,770	4,036,017	(182,931,814)	20,592,935	16,549,908
At December 31, 2024	**174,852,770**	**20,778,905**	**7,497,367**	**20,943,698**	**224,072,740**

(i) It included (USD 137million) from the inflation adjustment for the year ended on December 31, 2024 (see Note 2.12).

Deferred tax liability	**Property, plant and equipment**	**Deferral of tax inflation adjustment**	**Others**	**Total**
At December 31, 2022	**-**	**(127,323,185)**	**(12,303,596)**	**(139,626,781)**
Other comprehensive income	-	-	1,035,944	1,035,944
Profit (loss)	(114,602,398)	17,990,865	(8,215,380)	(104,826,913)
At December 31, 2023	**(114,602,398)**	**(109,332,320)**	**(19,483,032)**	**(243,417,750)**

Deferred tax assets	**Property, plant and equipment**	**Provisions/ allowances**	**Tax losses**	**Others**	**Total**
At December 31, 2022	**68,286,051**	**17,420,151**	**110,780,167**	**2,129,103**	**198,615,472**
Other comprehensive income	-	415,647	-	-	415,647
Profit (loss)	(68,286,051)	(1,251,360)	79,649,014	(1,778,340)	8,333,263
At December 31, 2023	**-**	**16,584,438**	**190,429,181**	**350,763**	**207,364,382**

The following amounts are disclosed in the Statement of Financial Position, after offsetting as described in Note 2.12:

	December 31, 2024	**December 31, 2023**
Deferred tax Assets / (Liabilities)	171,623,366	(36,053,368)
	171,623,366	**(36,053,368)**

Notes to Financial Statements at December 31, 2024 (Cont.)

28. Deferred income tax (Cont.)

The following table shows the estimated term for reversal of deferred assets and liabilities:

	December 31, 2024	December 31, 2023
Deferred tax assets to be recovered in more than 12 months	193,160,935	190,429,181
Deferred tax liabilities to be settled in more than 12 months	(8,328,405)	(223,934,718)
Deferred tax assets to be recovered in less than 12 months	30,911,805	16,935,201
Deferred tax liabilities to be settled in less than 12 months	(44,120,969)	(19,483,032)

29. Complementary information of the Statement of Cash Flows

Complementary information of the Statement of Cash Flows is disclosed below:

Adjustments to profit (loss) for the year to reach operating cash flows (*)

	Year ended on December 31, 2024	Year ended on December 31, 2023
Depreciation of property, plant and equipment (Note 15)	470,796,229	545,876,865
Impairment of property, plant and equipment (Note 15)	82,105,425	97,670,268
Depreciation of right-of-use assets (Note 16)	20,561,687	13,256,835
Loss / (Profit) from the sale of property, plant, equipment and materials (Note 12)	312,744	(1,125,085)
(Profit) / loss from the holding of other investments (Note 13)	(30,183,350)	8,961,450
Financial (profit) / loss generated by cash and cash equivalents	(1,402,326)	5,698,229
Exploration and evaluation costs	1,841,823	3,115,917
Income tax (Profit) / loss (Note 14)	(206,681,928)	96,493,650
Interest accrued from borrowings (Note 24)	83,440,301	251,909,561
Interest paid from borrowings	(95,671,209)	(209,587,021)
Accrued interest from lease liabilities (Note 16)	1,943,170	1,058,416
Dividend income (Note 13)	(2,077,985)	(2,110,000)
Provisions - Net increases	29,238,818	11,988,813
Equity in earnings from investments accounted for using the equity method (Note 17)	(1,700,329)	(2,590,774)
Employee benefits (Note 11)	13,272,168	14,773,466
	365,795,238	**835,390,590**

(*) There was no significant difference between interest income and interest collected.

Changes in working capital

	Year ended on December 31, 2024	Year ended on December 31, 2023
(Increase) Decrease in trade and other receivables	(187,737,461)	65,125,086
Increase in inventories	(27,022,649)	(6,139,929)
Increase (Decrease) in trade and other payables	5,461,776	(17,141,005)
	(209,298,334)	**41,844,152**

30. Contingencies, commitments, guarantees and restrictions on the distribution of profits

(i) Contingencies

The Company has contingent liabilities in respect of claims arising from the ordinary course of business. Moreover, there are certain interpretations of controlling authorities as to the calculation and payment of certain taxes that differ from the criteria applied by the Company. Based on management's assessment and the opinion of legal counsels, the Company does not anticipate incurring any material expenses derived from contingent liabilities other than those provided for in these financial statements.

(ii) Main commitments and guarantees

The main commitments assumed by Tecpetrol S.A. through surety insurance and bank guarantees as of the date of issuance of these financial statements are the following:

- Guarantee in favor of Arenas Argentinas del Paraná S.A. for the payment of the remaining balance from the purchase of a sand plant in Entre Ríos province, amounting to USD 0.9 million.

- Guarantee in favor of the Energy Institute of the province of Santa Cruz for contract performance of the second exploratory phase in Gran Bajo Oriental for an amount of USD 2.85 million.

- Guarantee for contract performance under the investment and work plan for the exploration of Block MLO-124 Ronda Costa Afuera N°1 for an amount of USD 1.99 million.

- Guarantee in favor of the Office of the Secretary of Energy of the Ministry of Economy of all obligations set forth under Section 64 of the Annex to Decree No. 892/20 related to the National Public Bidding for the Reinsurance and Enhancement Plan of Hydrocarbon Production, Self-supply, Exports, Import Substitution and Expansion of the Transportation System for all Hydrocarbon Basins in the Country for the period 2023-2028, for USD 48.08 million.

- Guarantee for USD 6.72 million in favor of the Revenues and Customs Agency (Agencia de Recaudación y Control Aduanero, ARCA), formerly known as Federal Administration of Public Revenue for Argentina (Administración Federal de Ingresos Públicos, AFIP), for general and special taxes on a temporary import of drilling equipment.

Furthermore, the Company has the following investment commitments in the areas where it operates:

<table>
<tr><th>Basin</th><th>Area</th><th>Pending investment commitments</th></tr>
<tr><td rowspan="4">Noroeste - San Jorge and others</td><td>El Tordillo and La Tapera - Puesto Quiroga</td><td>· Additional investments for USD 200 million to be made until December 31, 2026, aiming at extending the operations in the area for 20 years starting in 2027 (i).</td></tr>
<tr><td>Gran Bajo Oriental</td><td>· Drilling of 1 exploratory well of 1,900 meters below rig floor (equivalent to 570 working units) before June 2025.</td></tr>
<tr><td>Aguaragüe</td><td>· Execution of 1 workover and 2 asset removals to be made in 2023. Drilling of 1 development well, execution of 1 workover and 2 asset removals to be made in 2024, and 2 asset removals to be made in 2025. Seismic reprocessing in Rio Pescado. (ii)</td></tr>
<tr><td>MLO-124</td><td>· Seismic acquisition and processing before October 2025.</td></tr>
<tr><td>Neuquina</td><td>Los Bastos</td><td>· Exploratory investments for USD 4.96 million to be made until 2026 outside the exploitation area. (iii)</td></tr>
</table>

(i) At the date of issuance of these financial statements, the governmental authorities of the province of Chubut have not yet completed the certification and examination procedures for the investments.
(ii) At the date of issuance of these financial statements, the governmental authorities of the province of Salta have not yet completed the certification procedures for the investment activities.
(iii) At the date of issuance of these financial statements, the governmental authorities of the province of Neuquén have not yet completed the certification and examination procedures for the investments.

30. Contingencies, commitments, guarantees and restrictions on the distribution of profits (Cont.)

(ii) Main commitments and guarantees (Cont.)

Under Plan Gas.Ar, Tecpetrol assumed a total investment commitment from 2021 to 2028 of approximately USD 1,081 million in Neuquina basin which made as follows: (i) USD 13 million during Q1 2021, (ii) USD 29.2 million starting from Q2 2021 and until Q4 2022, and (iii) USD 36 million per quarter from 2023 to 2028. Besides, according to Plan Gas.Ar Rounds 1 and 3, Tecpetrol committed to inject 14.9 million m^3/d in Neuquina basin until 2024. According to Round 4.1, such period was extended until 2028. The Company has also agreed to inject 2,5 million m^3/d starting on July 2023 until 2028, as awarded in Round 4.2. Regarding hiring local, regional and national workforce, the Company made a commitment to proportionally increase the number of Argentine workers under the committed investment plans until 2028. At the date of issuance of these financial statements, Tecpetrol complied with all these commitments.

The agreements entered into with the distribution service licensees, CAMMESA and ENARSA, for the supply of natural gas under Plan Gas.Ar, included standard clauses for the delivery or payment of up to 13.14 million m^3/d from July 2023 to December 2028, contemplating increases of 7.25 million m^3/d from May to September of 2024 and 6 million m^3/d from May to September of each year from 2025 to 2028.

Likewise, the agreements entered into with industrial parties and other traders for the supply of gas intended for industrial users or CNG stations included standard clauses for the delivery or payment of around 4 million m^3/d until April 2025, date upon which volumes will significantly drop due to contract termination.

Gas transportation agreements include ship or pay clauses for amounts ranging from 2.2 million m^3/d to 5 million m^3/d during 2024-2028.

Besides, in Plan Gas.Ar Round 5.2, Tecpetrol was awarded incremental production volumes from the exploitation concessions of El Tordillo and Aguaragüe. In regard to El Tordillo award, Tecpetrol entered into a gas sale agreement with CAMMESA for incremental production volumes of up to 0.3 million m^3/d until December 2028. In regard to Aguaragüe award, Tecpetrol entered into a gas sale agreement with ENARSA for incremental production volumes of up to 0.1 million m^3/d until December 2028. In both cases, Tecpetrol is not obliged to deliver gas if there is no incremental production.

In relation with the Open Bidding Process No. 1/2022 from Oldelval and the Open Bidding Process No. 1/2022 from Oiltanking Ebytem, Tecpetrol committed to contract transport, shipping and storage services including ship or pay clauses for approximately 3,066 m^3/d, 3,522 m^3/d and 21,122 m^3, respectively. Such commitments will enter into force once the facilities are ready for operation and until 2037.

(iii) Restrictions on the distribution of profits

In accordance with Companies Law No. 19,550 (hereinafter referred to as “LGS”), the Company’s by-laws and General Resolutions No. 622/13 and 941/2022 issued by the CNV, 5% of the net profits for the year must be allocated to a legal reserve until such reserve equals 20% of the share capital.

30. Contingencies, commitments and restrictions on the distribution of profits (cont.)

(iii) Restrictions on the distribution of profits (cont.)

CNV General Resolution No. 609/12 sets forth that the difference between the initial balance of retained earnings disclosed in the financial statements of the first year-end under IFRS implementation and the final balance of retained earnings at the end of the last year under the previous accounting standards then in force shall be allocated to a Special Reserve. Such reserve shall not be used for distribution (whether in cash or in kind) among shareholders or owners of the entity and shall only be used for capitalization purposes or to compensate potential negative balances under *Retained earnings.* On April 26, 2018, the Shareholders at an Annual General Meeting approved the constitution of this reserve and the restrictions upon its use.

The Company's capital does not include preferred stocks. Tecpetrol S.A. is not subject to any other restriction on the distribution of profits other than the ones mentioned in the paragraph above.

31. Program of Incentives to Investments in Natural Gas Production Developments from Unconventional Reservoirs

At the date of issuance of these financial statements, the Company has the following claims against the government regarding the change of criteria for the assessment of the economic compensations provided for under the Program of Incentives to Investments in Natural Gas Production Developments from Unconventional Reservoirs (hereinafter referred to as the “Program”) created through Resolution No. 46-E/2017 and amended by Resolution No. 419-E/2017: (i) the administrative appeals against the resolutions settling provisional payments from November 2018 to December 2020 as well as payment adjustments from April 2018 to December 2020 (inclusive), and (ii) the legal complaint against the resolutions settling provisional payments for August, September and October 2018, following the rejection of the administrative appeals filed by the Company against such resolutions. Under Plan Gas.Ar, subject to its terms and validity, and in relation to the volumes of production therein committed and delivered, Tecpetrol accepted that payments under the Program related to the deliveries of natural gas as from January 1, 2021, will be limited to the production projection of natural gas estimated upon request of adherence to the Program. Therefore, the Company waived its right to demand payments for natural gas volumes delivered as from January 1, 2021, which exceed such projection. Since the launch of the Program and until December 31, 2020, Tecpetrol experienced a decrease in net sales by ARS 29,915 million (approximately USD 588 million at historical exchange rate) for volumes delivered exceeding the production estimated upon request of adherence to the Program.

32. Related-party balances and transactions

Tecpetrol S.A. is controlled by Tecpetrol Internacional S.L. (sole shareholder company), (hereinafter referred to as "Tecpetrol Internacional S.L.U."), which holds 95.99% of the Company's shares.

San Faustin S.A. ("San Faustin"), a *Société Anonyme* based in Luxembourg, controls the Company through its subsidiaries.

Rocca & Partners Stichting Administratiekantoor Aandelen San Faustin, a private foundation located in the Netherlands (Stichting) ("R&P STAK") holds enough voting shares in San Faustin to control it. No person nor any group of persons control R&P STAK.

Main transactions with related parties:

	Year ended on December 31,	
	2024	**2023**
Sales revenues		
Other related companies	79,828,161	103,065,193
Purchases of goods and services		
Other related companies	(225,612,666)	(308,083,011)
Oleoducto Loma Campana - Lago Pellegrini S.A.	(1,936,440)	(1,468,857)
	(227,549,106)	(309,551,868)
Reimbursement of expenses		
Other related companies	4,732,110	4,666,149
Interest income		
Other related companies	502,534	378,347
Interest cost		
Tecpetrol Internacional S.L.U.	(45,095)	-
Tecpetrol Internacional S.L.U. Uruguay Branch	(331,998)	(25,392)
Other related companies	(198,158)	(1,791,775)
	(575,251)	(1,817,167)
Other income		
Other related companies	-	996,000

32. Related-party balances and transactions (cont.)

Balances with related parties

	December 31,	
	2024	**2023**
Other receivables from related parties (Note 20)		
Non-current		
Advances - Other related companies	-	165,549
Current		
Other receivables - Tecpetrol Internacional S.L.U.	1,279,877	-
Other receivables - Other related companies (i)	10,650,385	4,981,673
Loans - Other related companies	-	5,841,451
	11,930,262	10,823,124
Trade receivables from related parties (Note 21):		
Current - Other related companies	3,565,960	6,611,457
Borrowings from related parties (Note 24):		
Current - Tecpetrol Internacional S.L.U. Uruguay Branch	-	2,025,392
Lease liabilities to related parties:		
Non-current - Other related companies	2,595,879	3,665,265
Current - Other related companies	2,755,831	2,870,232
Trade and other payables with related parties (Note 27):		
Current - Tecpetrol Internacional S.L.U.	-	37,726
Current- Tecpetrol Investments S.L.U.	5,000	4,075
Current - Tecpetrol Internacional S.L.U. Uruguay Branch	51,198	23,581
Current - Oleoducto Loma Campana - Lago Pellegrini S.A.	126,032	141,387
Current - Other related companies (ii)	42,556,965	53,859,562
	42,739,195	54,066,331

(i) It mainly included balances from reimbursement of expenses.
(ii) It mainly included balances from purchases of materials and services.

Remuneration of Directors

Remuneration of Directors and first-line executives for the years ended on December 31, 2024 and 2023 amounted to USD 4.8 million and USD 7.9 million, respectively. Additionally, Directors and first-line executives received units under the employee retention and long-term incentive program mentioned in Note 2.13 (b) for a total amount of USD 1.9 million on December 31, 2024 and USD 0.8 million on December 31, 2023.

33. Main joint operations

Joint operations

a) Areas operated by Tecpetrol

Name	Location	% at Dec-24	% at Dec-23	Expiration date of the concession
Aguaragüe	Salta	23.0	23.0	Nov-37
Agua Salada	Río Negro	70.0	70.0	Sep-25
El Tordillo	Chubut	52.1	52.1	Nov-27
La Tapera - Puesto Quiroga	Chubut	52.1	52.1	Aug-27
Loma Ancha (i)	Neuquén	95.0	95.0	Dec-25
Los Toldos I Norte (i)	Neuquén	90.0	90.0	May-54
Los Toldos II Este (i)	Neuquén	90.0	90.0	May-54
Ramos (ii)	Salta	58.0	25.0	Jan-26

(i) Tecpetrol S.A. assumed 100% of the costs and investments during the basic exploration period under an agreement with its partner Gas y Petróleo del Neuquén S.A.

(ii) In December 2023 Tecpetrol S.A. exercised its right of first refusal in relation to the 33% interest of Pluspetrol Energy S.A. (area operational partner) in the hydrocarbon exploitation concession on Ramons area, along with the associated transport concession, for a price of USD 4 million. In January 2024, Pluspetrol Energy S.A. and Tecpetrol entered into an assignment agreement and set up an operational committee to discuss the appointment of Tecpetrol S.A. as successor operator of the area and replacement of Pluspetrol, once the assignment is officially approved by the authorities of Salta, in accordance with Section 72 of Law No. 17,319. By means of Decree No. 214/24, published in the Official Gazette on May 6, 2024, the relevant authorities of the province of Salta approved the assignment, and on May 22, 2024, Tecpetrol S.A. took over the operations in the area.

b) Areas operated by third parties

Name	Location	% at Dec-24	% at Dec-23	Expiration date of the concession
Los Toldos I Sur	Neuquén	10.0	10.0	Oct-52
MLO-124 (iii)	Malvinas	10.0	10.0	Oct-25

(iii) The exploration period consists in 2 subperiods of 4 years each. The area can be returned upon the completion of each subperiod. The first exploration period ends in October 2025. If the Company decides to proceed with the second period, it must notify the Secretary of Energy before August 31, 2025.

Main joint operations – Assets and liabilities at Tecpetrol's share of interest

Name	Assets		Liabilities	
	Dec-24	Dec-23	Dec-24	Dec-23
Aguaragüe	10,574,951	5,750,869	10,033,269	7,790,319
Agua Salada	5,424,679	12,890,600	16,860,011	13,313,362
El Tordillo	60,867,535	81,278,528	64,724,682	42,978,339
La Tapera – Puesto Quiroga	3,924,836	8,815,406	1,282,043	6,678,404
Los Toldos (I Norte and II Este)	265,819,028	206,647,293	18,319,920	35,505,943
Ramos	4,326,821	2,392,629	11,146,218	8,612,717
Los Toldos I Sur	16,293,618	15,812,532	4,913,069	2,918,686

34. Subsequent events

During January 2025, the Company issued Class 10 negotiable obligations for a nominal value of USD 400 million, wich bear interest at a rate of 7.625% and mature in January 2033. The interest will be payable semiannually, and the capital will be repaid in three consecutive annual installments of 33% in January 2031, 33% in January 2032, and 34% at maturity. The funds raised from the issuance of these ONs are primarily intended for investments in fixed assets, working capital, refinancing of liabilities, capital contributions and/or financing of commercial activities of some of our subsidiaries or affiliated companies, and/or general financing needs related to the Company's business activities.

No other events, situations or circumstances have taken place as from December 31, 2024, and until the date of issuance of these financial statements, other than the ones mentioned in the notes to the financial statements, which affect or might significantly affect the economic and financial position of the Company or are otherwise worth mentioning.

Independent auditor's report

To the Shareholders, President and Directors of
Tecpetrol Sociedad Anónima

Opinion

We have audited the financial statements of Tecpetrol Sociedad Anónima (the Company) which comprise the statement of financial position as at December 31, 2024, and the income statement, statement of comprehensive income, statement of changes in equity, and 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

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 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 Company 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) and the ethical requirements that are relevant to our audit of the financial statements in Argentina. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment of exploration, evaluation, and development assets	
As of December 31, 2024, the Company holds exploration, evaluation and development assets within Property, plant and equipment (Note 15) for USD 1,688,910,081. As described in Notes 2.4 and 18, the Company analyses exploration, evaluation and development assets for impairment whenever events or changes in the circumstances indicate that the carrying amount may not be recoverable (impairment indicators); and an impairment loss is recognized when the carrying value of the assets is higher than their recoverable amount. The recoverable amount of each cash generating unit - CGU (each area in which Tecpetrol S.A. has interest) is estimated as the higher between the asset's fair value less costs to sell and the asset´s value in use. The value in use is calculated based on discounted cash flow, applying a discount rate based on the weighted average cost of capital (WACC), which considers the risks of the country where the CGU operates and its specific characteristics. The determination of the discounted cash flows is based on projections approved by management and includes a set of sensitive estimates and assumptions, such as hydrocarbon reserves, changes in hydrocarbon production levels, sales prices, the evolution of the curve of future hydrocarbon prices, inflation, exchange rates, costs and the discount rate.	Audit procedures performed in relation to this key audit matter included, among others: • Understand the policies and processes used by management to determine whether there is any impairment indicator, and calculate the recoverable amount of assets, and assess their reasonableness. • Test whether the definition of the CGUs identified is appropriate, and if the allocation of the carrying value to each of them is reasonable. • Evaluate the reasonableness of the recoverable amount determined by the company as the higher of the fair value less costs of sales and the value in use. • As to the value in use: ✓ assess the proper use of the discounted cash flow model as well as the mathematical accuracy of the calculations. ✓ test the integrity, precision, and relevance of data and assumptions used by management in the model, such as changes in hydrocarbons production levels, sales prices, the evolution of the curve of future hydrocarbon prices, inflation, exchange rates, costs, capital expenditures; and ✓ determine independently the discount rate (WACC) and compare it with that used by the Company.

Key audit matter	How our audit addressed the key audit matter
The calculation of hydrocarbon reserves involves the subjective process of estimating crude oil and natural gas to be recovered from the subsoil, which involves certain level of uncertainty. Reserves are estimated based on the quality of the geological and engineering information available at the date of calculation and interpretation. As a result of the analysis performed as of December 31, 2024, management has identified indicators of impairment for the assets of El Tordillo and La Tapera - Puesto Quiroga, Loma Ancha, Punta Senillosa, Los Bastos, Agua Salada, and Aguaragüe CGUs, and has assessed their recoverability, recognizing an impairment charge of USD 82.1 million, as described in Note 18. This is a key audit matter since the determination of the CGUs and the identification of any indicators of impairment of value of their assets, as well as the calculation of the recoverable value (which includes the estimates relating to hydrocarbon reserves), involve the exercise of critical judgment and material assumptions made by management that are subject to uncertainty and future events. Moreover, it required a high degree of judgment, subjectivity, and effort by the auditor when performing the procedures to assess the cash flow projections made by management and the significant assumptions.	• Assess the consistency of hydrocarbon reserves used for cash flows, performing the following procedures: ✓ obtain the reports certified by independent experts of the Company, including a) evaluation of their objectivity and competence, b) confirmation of the scope of the work performed; ✓ carry out a retrospective review to verify indicators of estimation bias over time, which included comparing production volumes, costs of exploitation, and capital expenses for the current year with the applicable hypotheses used in the estimation of proven reserves for the prior year to assess the Company's ability to make accurate provisions; ✓ confirm that the significant variations in reserves have been based on new available information in the period under analysis; ✓ confirm that the relevant reserve variations have been based on new information available in the period under analysis; ✓ verify whether the hydrocarbon production projected by management for its cash flows to determine the recoverable value of the areas with indications of impairment is consistent with the amounts of proven hydrocarbon reserves in the reports certified by independent experts of the Company. • Verify whether the impairment loss has been properly calculated. • Assess the sufficiency of the information disclosed in the financial statements based on the assessment of the recoverable value of the assets under analysis. In addition, the audit effort involved the inclusion of professionals with specialized skills and knowledge to assist us in the assessment of the discounted cash flow model and the discount rate.

Other Matter

These accompanying financial statements are presented in U.S. Dollars, which is the functional currency of the Company. However, the financial statements used by the Company for statutory, legal and regulatory purposes in Argentina are those presented in Argentine pesos, issued and filed with the Argentine Securities Commission (Comisión Nacional de Valores in Spanish), which were approved for issuance by the Board of Directors on February 26, 2025.

Responsibilities of the Board of Directors for the financial statements

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

In preparing these financial statements, the Board of Directors is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors 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 Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performance for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors 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.

We also provide to the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Autonomous City of Buenos Aires, February 26, 2025.

PRICE WATERHOUSE & CO.S.R.L.
Carolina García Zúñiga
Partner