



2021

Annual Report / Financial Information
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Transmission System



- 500 kV Substation
- 220 kV Substation
- 500 kV Lines
- 220 kV Lines
- 500 kV Lines (Third parties' property, operated by Transener)*
- 500 kV Lines (Third parties' property, operated by Third parties)*
- 500 kV Lines (Third parties' property, operated by Transener) (Rodeo - Calingasta)*
- 220 kV Lines (Third parties' property, operated by Transener) (Minera Alumbra)*

*The color indicates owner and responsible for operation and maintenance.

Transba Transmission System





Company's Profile

Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A. is the holder of a Concession Agreement awarded by Decree N° 2743/1992 dated December 29, 1992, and Decree N° 1501/1993 dated July 16, 1993, as amended by Decree N° 1462/2005, for the operation and maintenance of the Extra High Voltage Electricity Transmission System throughout Argentina.

Transener started business on July 17, 1993. At present, it operates and maintains 14,489 kilometers of transmission lines at 500 kV and 220 kV, out of which it maintains and operates 12,383 kilometers directly, accounting for 85.4% of the national extra high voltage electricity network. The other 2,106 kilometers are operated by Independent Transmission Companies, under the supervision of Transener S.A. Transener is also responsible for the operation and maintenance of 57 transforming substations which are part of the Extra High Voltage System, 50 of them directly and the other 7 under the supervision of Independent Transmission Companies. Transener is also responsible for the operation and maintenance of the associated protection, communication, reactive power compensation, and automatic control systems.

On the other hand, as concession holder, Transener oversees projects and executes works for the enhancement of its transmission network under its jurisdiction and grants commercial operation permits.

Similarly, as part of its corporate strategy, Transener provides assistance with technical issues and the electrical market in connection with the network operation conditions, proposed improvements for connection to such network, and the needs for enhancing the transmission capacity to execute new projects.

The Extra High Voltage System operated by Transener is present countrywide, except for the province of Tierra del Fuego,

Antarctica and the South Atlantic Islands. Transener S.A.'s customers include the largest power stations, large demand industrial facilities, trunk distribution companies, federal distribution companies, and most provincial companies. Besides, several nodes of Transener's transmission network are linked, through international interconnection lines, to the transmission systems in Brazil, Paraguay, Uruguay and Chile.

On the other hand, Empresa de Transporte de Energía Eléctrica por Distribución Troncal de la Provincia de Buenos Aires, Transba S.A., a subsidiary of Transener, is the holder of a Concession Agreement awarded by the Argentine Government by Resolution N° 346/1997 of the former Secretariat of Energy and Ports, as amended by Decree N° 1460/2005. Transba S.A. operates and maintains 6,492 kilometers of high-voltage transmission lines ranging from 66 kV to 220 kV and 104 transforming substations.

Based on the principles enshrined in its "Vision, Mission and Values," Transener strengthens its profile as an active organization, focused on technological and professional upgrades, improvements in its Regional Sites' and its Subsidiary's operating capacity, and on its approach oriented at achieving efficiency, productivity and profitability gains, containing expenses and looking for additional sources of revenues. This is reflected in consistent improvements in efficiency and profitability ratios, and in its consolidated reputation associated to the quality of its services.

Transener is a leading company in Argentina and has become a regional benchmark by upholding its operating and service quality principles and embracing cutting-edge technology. Moreover, in conducting its extra high voltage electricity transmission activities, Transener has assumed a strong commitment to social development, respect and care for the environment, and energy efficiency.





Vision

To be the leader in high voltage transmission.

Mission

To ensure the rendering of the service that we are committed to provide, with a level of quality, effectiveness and efficiency in order to satisfy the expectations of the clients, electric market agents, shareholders, employees and the community which we serve.

Corporate Values

We privilege an ethical conduct, which enhance the fulfillment of the Mission, with business excellence, respecting the legal norms and the care of the environment.

The prevention of risks is an operative philosophy that must be applied with the same strength with which we look forward to the permanent availability of our equipment.

The active participation of our employees and the Team Work, are differential values that are placed above our economic and technological resources.

We are decided to improve every day, with technical excellence, looking after the expectancies of those to whom our work is destined.



Financial and Economic Consolidated Highlights*

	2021	2020
Revenues	17,334.4	24,587.0
Operating income	2,692.8	10,307.1
Profit before tax	1,792.1	8,973.0
(Loss)/Profit of the year from continuing operations	(1,308.0)	6,284.5
EBITDA (1)	5,507.5	12,947.2
Net (loss)/income per share	(3.14)	14.10
Total assets	56,239.5	68,801.2
Fixed assets additions	3,568.3	5,327.2
Equity	39,850.0	41,244.3
Short term financial debt	348.4	11,988.2
Long term financial debt	527.8	0.0
Interests coverage	6.2 x	10.5 x
Financial debt on total capitalizations (2)	2.2%	22.5%

(*) In million of pesos, except information per shares or where it is indicated.

(1) EBITDA is calculated as operating income plus depreciation and amortization.

(2) Total capitalization consists of financial debt and equity.

Board of Directors

Chairman

Agustín Gerez

Directors

Gabriel Cohen

Ramiro Manzanal

Benjamín Navarro

Maximiliano Ramirez

Javier Timerman

Vice Chairman

Brian R. Henderson

Alternate Directors

Pablo Díaz

Juan S. Frascina

Alejandro Hontakly

Emilse Juarez

Fernando M. Morra

Senior Staff

Chief Executive Officer

Pablo F. Tarca

Chief Financial Officer

José S. Refort

Executive Technical Director

Carlos E. Borga

Executive Director of Human Resources

Gaston Orazi

Executive Director of Regulatory Engineering

Armando M. Lenguitti

Executive Director of Legal and Institutional Affairs

Mariano Palacios

Surveillance Commission

Syndics

José D. Abelovich

Sandra Auditore

Guido A. Braghieri

Alternate Syndics

Marcelo H. Fuxman

Martín Latorre

Norma Vicente Soutullo





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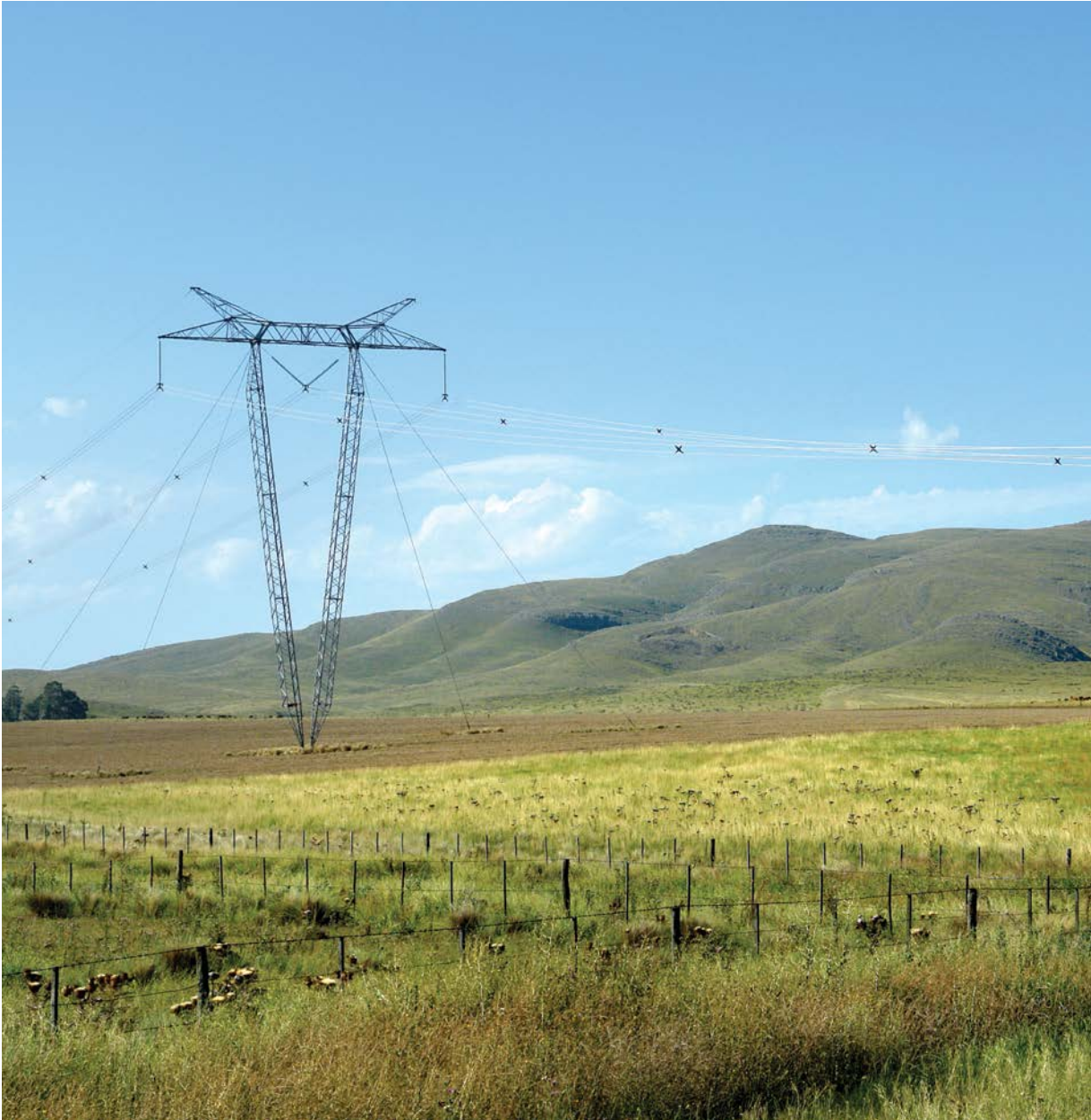
The background features a teal color scheme with abstract white and dark teal shapes. Power lines are visible in the upper portion, and a close-up of a power transformer is shown in the bottom right corner.

Annual Report

To the Shareholders of Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A.:

In accordance with statutory provisions and the Company's by-laws currently in force, we submit to your consideration the Financial Statements as of December 31, 2021 and for the twenty-ninth fiscal year then ended.





Global Outlook

The Company continues to render operation and maintenance services for the Extra High Voltage Trunk Distribution System in the Province of Buenos Aires exhibiting adequate performance in terms of service quality, which easily surpass the quality and efficiency indices required in the concession agreements and remain at levels that point to outstanding performance under both local and international standards, outperforming the network's operational demands.

During 2020 and 2021, ENRE did not apply the remuneration adjustment mechanism established in the Comprehensive Tariff Review on a semiannual basis, but rather maintained the same tariff schedule resulting from August 2019's adjustment (see Tariff Situation).

In the above-mentioned context, on August 17, 2021, the Company cancelled the Series 2 Negotiable Obligations at 9.75% for the

remaining amount of thousand US\$ 86,045, plus the applicable accrued interest.

The Company continues with its endeavors to operate and maintain the system under its concession in a safe, reliable and regular manner, with outstanding quality service levels, consolidating training and specialization for its personnel, furthering its plan of risk management and technical audits; with high levels of investment vis-à-vis the aggregate of its revenues and ENRE's stipulations in the Comprehensive Tariff Review. Besides, it continues to honor its commitment to service quality and the environment through the ratification of its ISO 9001 and ISO 14001 standard certifications, the certification of OSHAS 18001 standards entitled "Safety and Health in the Workplace" and of its Comprehensive Risk Management Plan.



Business Overview

Transener S.A. owns, operates and maintains the Extra High Voltage Transmission Network under a Concession Agreement, according to which it has an exclusive right to provide the high-voltage electricity transmission service (550 kV) within its Network, for a term of 95 years counted as from July 17, 1993 (Transener S.A.'s transfer date). On the other hand, Transba S.A. owns and operates its Network under its Concession Agreement, according to which it has an exclusive right to provide the electricity transmission service in the Province of Buenos Aires (66 kV to 220 kV) by trunk distribution lines across its Network, for a term of 95 years counted as from August 5, 1997 (Transba S.A.'s transfer date).

Transener S.A. and Transba S.A. derive operating revenues primarily from two sources: (i) revenues from regulated sales, and (ii) revenues from non-regulated sales.

(i) Revenues from regulated sales

Revenues from regulated sales are derived from the monthly remuneration paid by CAMMESA to the Company for making its electricity transmission assets available to the Argentine Electrical Grid. Revenues from regulated sales include (a) revenues from transmission capacity (related to the

operation and maintenance of the transmission lines comprising the Networks), (b) connection and transformation revenues (related to the operation and maintenance of connection and transformation equipment), (c) reactive equipment revenues (related to the operation and maintenance of reactive power, such as reactors, capacitors and synchronous condensers), (d) revenues from automatic controllers (related to the operation and maintenance of control and communication equipment related to automatic controllers that maintain the Argentine Electrical Grid stability upon regional failures).

The Company also derives revenues from (a) the supervision of the Argentine Electrical Grid expansion works, and (b) the supervision of facilities under the operation and maintenance of Independent Transmission Companies.

(ii) Revenues from non-regulated net sales

The Company derives other net revenues from services rendered to third parties. The other net revenues are derived from (a) the construction and installation of electrical structures and equipment, (b) the operation and maintenance of off-network lines, (c) the operation and maintenance of the Fourth Line and TIBA, and (d) other services.



Related Parties

As part of its state-owned company privatization program, the Argentine Government incorporated Transener S.A. on May 31, 1993 in order to own and operate the transmission assets comprising the Transener S.A. Network. Transener S.A.'s privatization involved the sale of a majority interest in its capital stock by means of a public bidding process required by the Electric Power Law. On July 16, 1993, the majority interest in Transener S.A.'s capital stock was awarded to Compañía Inversora en Transmisión Eléctrica Citelec S.A. (Citelec S.A.).

Citelec S.A. is the controlling shareholder, with a 52.65% interest in Transener S.A.'s outstanding shares of stock (51% in Class A and the rest in Class B shares) (the latter of them are listed in Bolsas y Mercados Argentinos S.A.). The remaining 47.35% of the shares are listed and admitted to trading in Bolsas y Mercados Argentinos S.A.

Citelec S.A.'s capital stock is comprised as follows: (i) 50% is owned by Pampa Energía S.A. and (ii) 50% is owned by Integración Energética Argentina S.A.

Below is a brief summary of Citelec S.A.'s current shareholders and their respective equity interests in that company:

- Pampa Energía S.A., (merged with Transelec Argentina S.A., effective as from October 1, 2020) owner of a 50% equity interest in Citelec S.A., an Argentine corporation (sociedad anónima) incorporated in accordance with the laws of the Argentine Republic, which is primarily engaged in the study, exploration and exploitation of hydrocarbon wells, development of mining activities, manufacture, transportation and marketing of hydrocarbons and its derivatives; and power generation, transmission and distribution. Investments in ventures and companies of any kind on its behalf

or in representation of third parties or their associates in the Argentina Republic or abroad.

- Integración Energética Argentina S.A., owner of a 50% equity interest in Citelec S.A., is an Argentine corporation (sociedad anónima) controlled by the Argentine Government pursuant to Law N° 25,943.

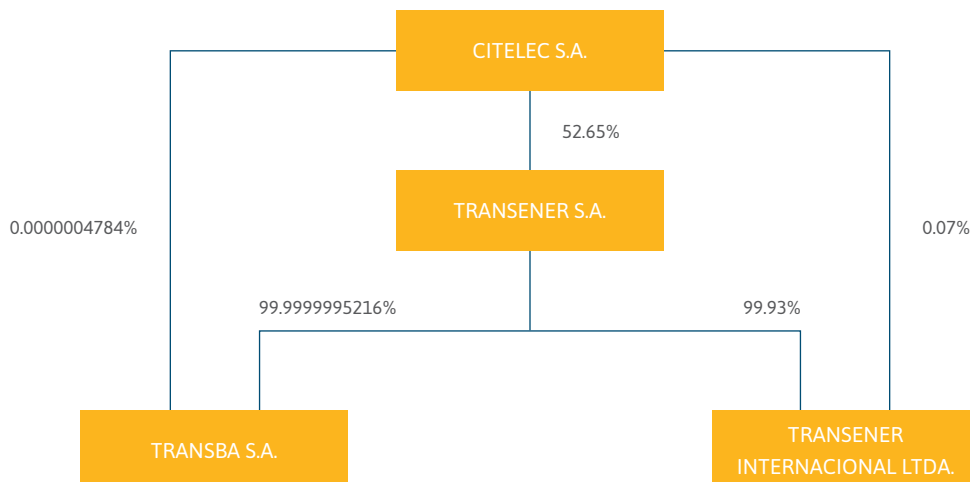
In 1997, the Executive Branch of the Province of Buenos Aires awarded to Transener S.A. all of its Class "A", "B" and "C" shares of Transba S.A.'s capital stock for an amount of US\$ 220.2 million. Class "C" shares were awarded on condition that they were allocated to the Employee's Stock Ownership Program ("PPAP") in accordance with the provisions in Chapter XII of Transba S.A.'s Bidding Terms and Conditions. Such program comprises benefits for certain employees of Transba S.A.

As a result, Transener S.A. held an 89.999995216% interest in Transba S.A.'s capital stock. The remaining interest was broken down as follows: a) 0.0000004784% was held by Citelec S.A. and b) 10% was allocated to the PPAP, at a price which was recognized in "Other non-current receivables" at historical cost.

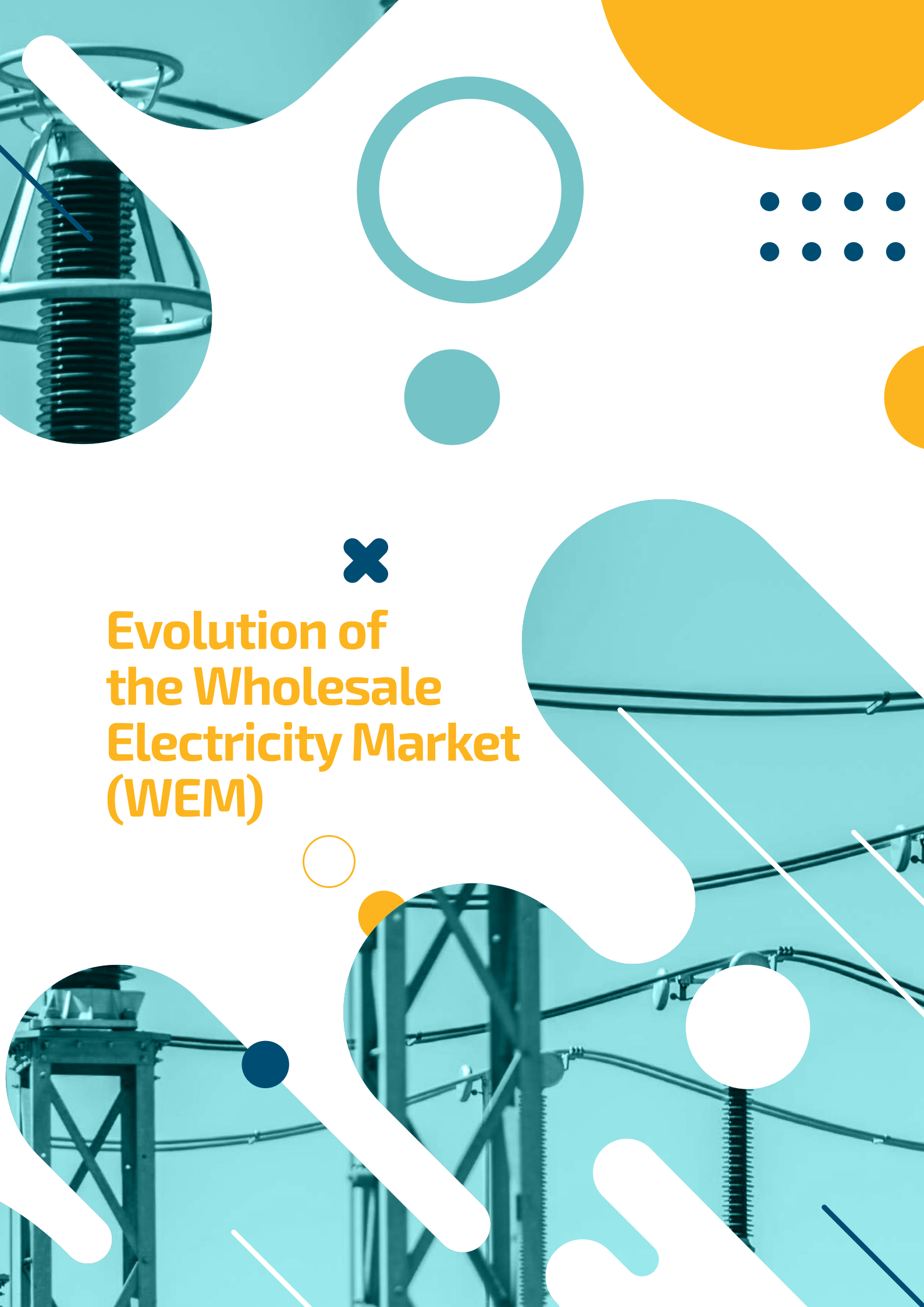
On June 28, 2019, Transener S.A. became the owner of all shares allocated to the PPAP (41,806,717 Class "C" shares). Accordingly, Transener S.A. owns a 99.999995216% interest in Transba S.A.'s capital stock.

On August 16, 2002, Transener S.A. incorporated Transener Internacional Ltda., a company based in the City of Brasilia, Republic of Brazil. As of the date of this annual report, Transener S.A. owns a 99.93% interest in Transener Internacional Ltda.'s capital stock. On March 25, 2012, the Board of Directors approved the release of Transener Internacional Ltda.'s operation and maintenance agreements.

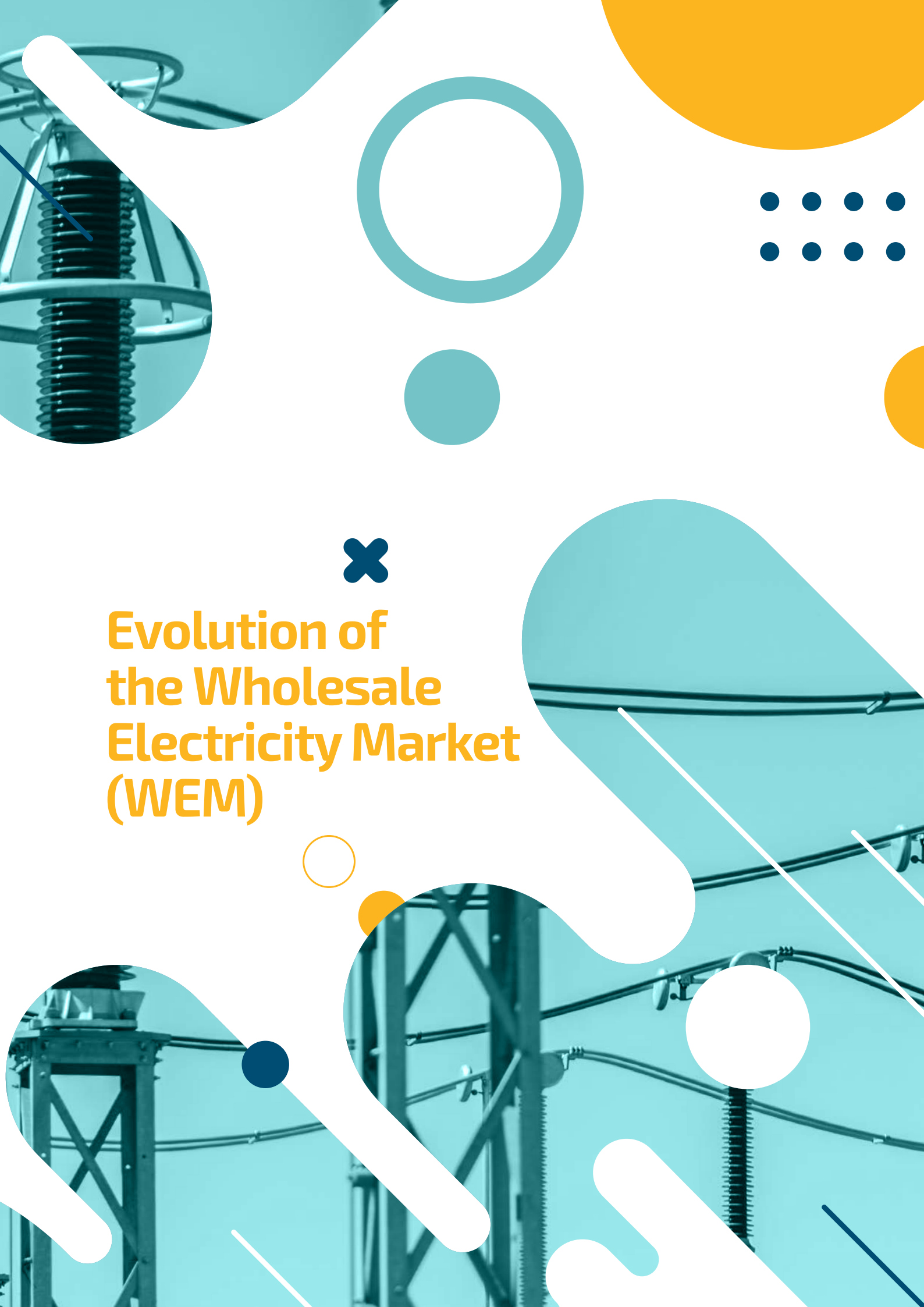
The following chart shows the organizational structure of Transener S.A. and its subsidiaries:



Balances and transactions with subsidiaries and other related companies are disclosed in Note 22 to the consolidated financial statements and in Note 24 to the separate financial statements.



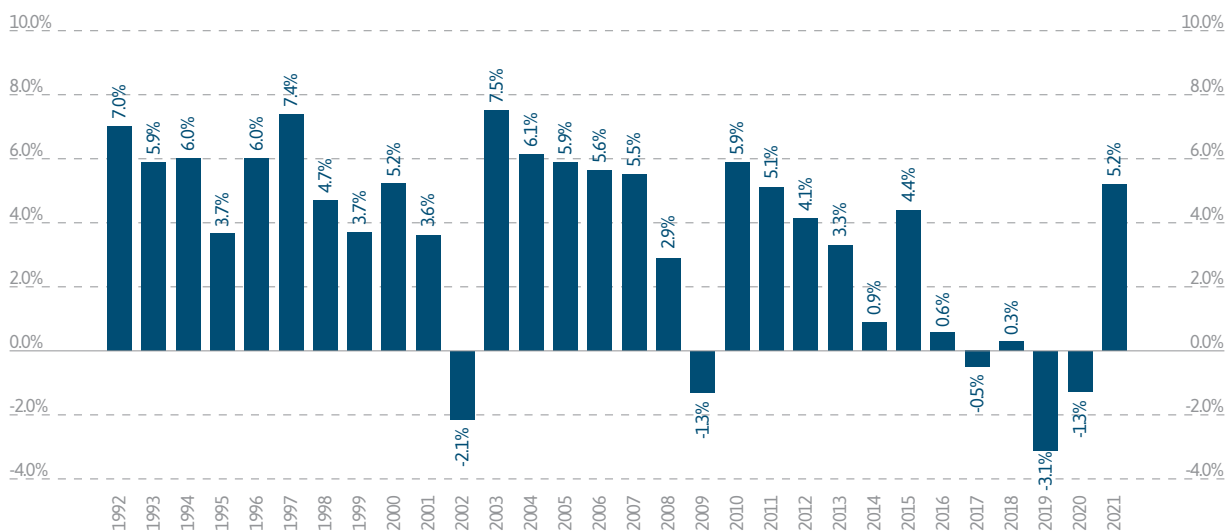
Evolution of the Wholesale Electricity Market (WEM)



Rate of Growth of the Demand

During 2021, electricity demand growth rate rose by 5.2%, compared to 2020. The following graph depicts the evolution of such rate during the 1992-2021 period:

Evolution of the Rate of Growth of the Demand



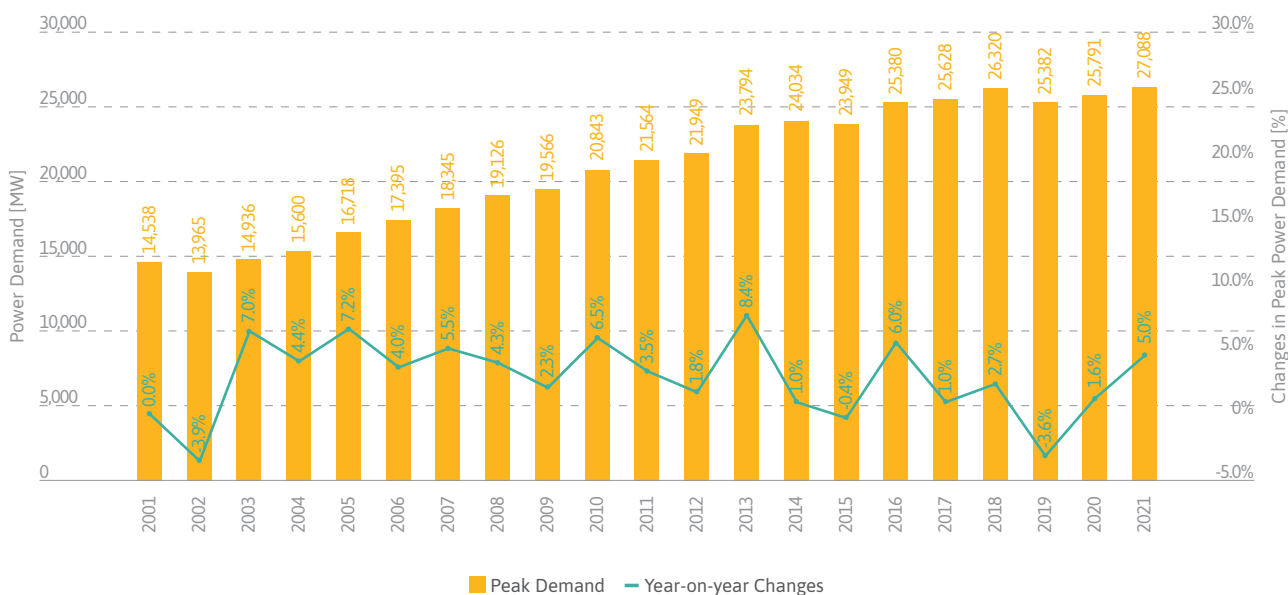
Source: CAMMESA

In this regard, it should be noted that 38% of demand is from Buenos Aires Metropolitan Area, while the remaining 62% comes from the rest of the country. Total demand is also broken down as follows: Residential Demand 45%, Commercial Demand, 27% and the remaining 28% is Industrial Demand.

Besides, in December 2021, the historical record of demanded power was surpassed when it peaked at 27,088 MW, thereby exceeding by 2.9% the preceding peak which had been posted in February 2018 (26,320 MW).

The following graph shows peak power values recorded since 2001 and year-on-year changes thereto:

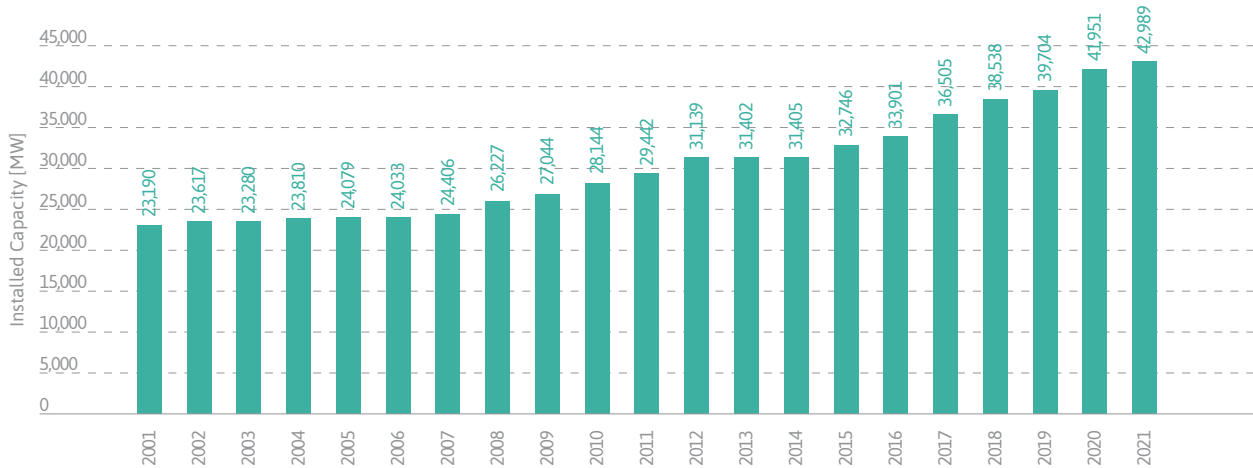
Changes in Peak Power Demand



Electricity Generation

The following graph shows the changes in the electricity generation sector's installed capacity since 2001.

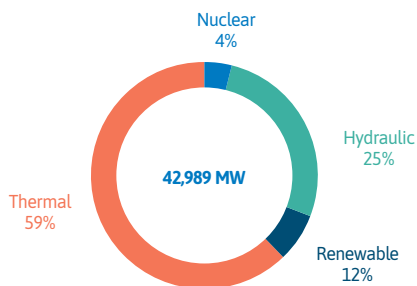
Changes in Installed Capacity



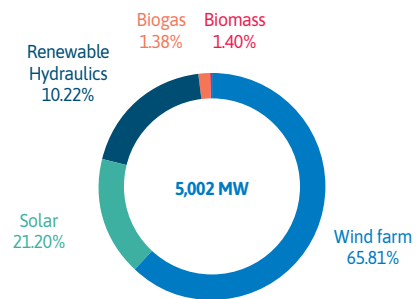
Source: CAMMESA

The following graph shows the percentage share of installed capacity in the Argentine Electrical Grid by origin (hydraulic, thermal, nuclear and renewable):

Installed Capacity as at December 2021

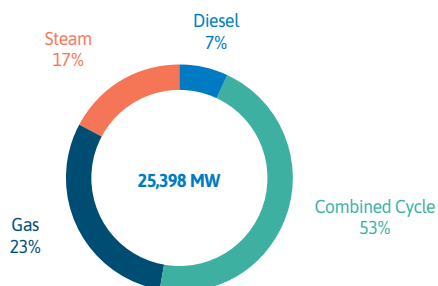


Renewable Generation

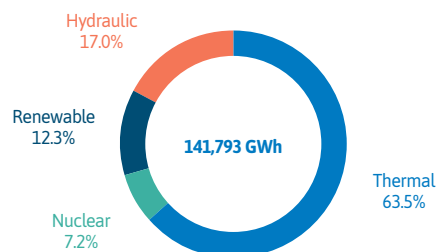


Thermal generation was the main source of supply of the generated power (63.5%), followed by hydraulic generation (17%), renewable energy (12.3%), and nuclear generation (7.2%), as shown in the following graph.

Thermal Generation



Gross Generation at December 2021

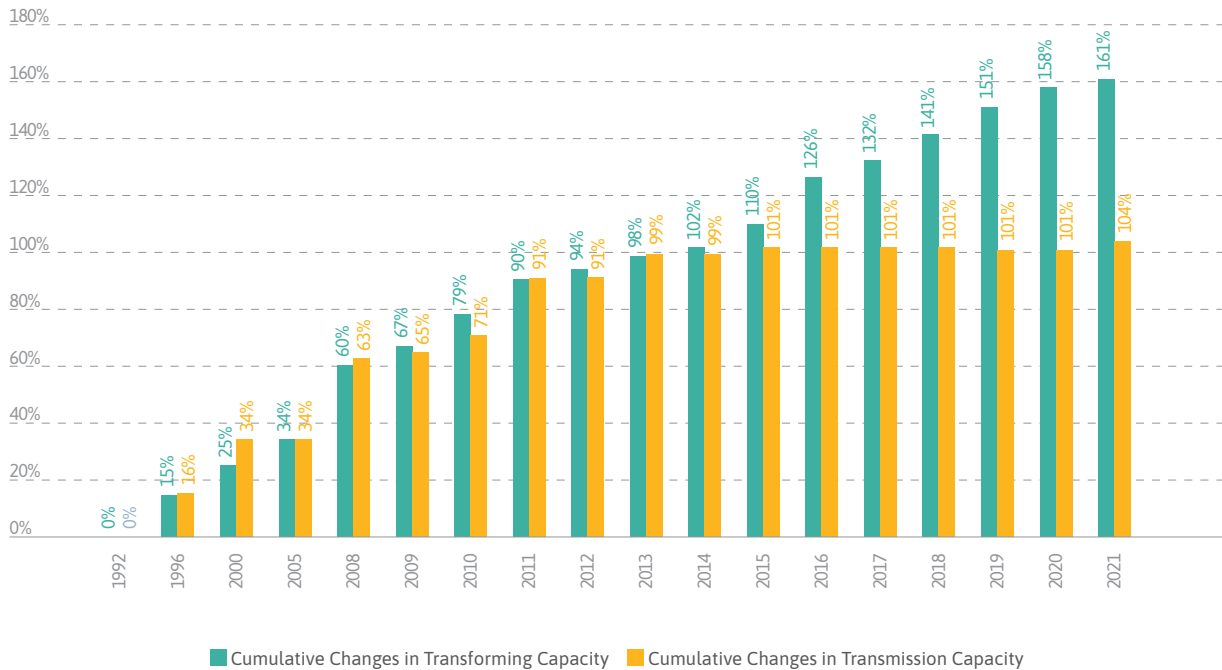


Source: CAMMESA

System Growth

I) High Voltage Transmission System Evolution

The following graph shows the changes in accumulated growth of transforming capacity and number of kilometers of the High Voltage Transmission System line for the years 1996, 2000, 2005 and the 2008 – 2021 period relative to 1992.



As shown in the graph above, the High Voltage Transmission System has experienced substantial growth since 2005, primarily as a result of the Federal Plan for Transmission at 500 kV.

The execution of such Federal Plan has provided increased stability to the Argentine Electrical Grid, improving the conditions to meet the growing demand.

In the course of 2021 enhancement works were affected by the restrictions arising from the decisions made by the Argentine Government, the provinces and the City of Buenos Aires by reason of the COVID-19 pandemic.

However, it should be noted that the Argentine Government continued with the implementation of the Federal Plan for the Transmission of Electricity at 500 kV (known as the “Federal Plan”). Thus, construction endeavors for the Rincón Santa María – Resistencia II and the Bahía Blanca – Vivoratá interconnection have continued.

In the year 2021, the 500 kV Nueva San Juan - Rodeo interconnection was incorporated into the Grid. This interconnection was 160.4 km long, initially powered at 132 kV and related to the Bauchaceta substation belonging to Energía San Juan.

Likewise, within the framework of the RenovAr program, some significant works were also completed, including the commissioning of new connection points at 132 kV to link the system operated by TRANSENER S.A. to the Wind Farm Loma Blanca VI. In turn, at the Santa Cruz Norte Transforming Substation was installed at a 500/132 kV transforming substation with 150 MVA power with back-up phase and a new 132 kV field to link the Cañadón León Wind Farm.

As concerns the works covered by the Energy Secretariat’s Resolution SE N° 1/2003, in 2021 the Company continued pursuing major enhancements to ensure the Transmission System safe supply, including the construction of the new 500/132 kV 25 de Mayo Transforming Substation, with a transforming capacity of 600 MVA and the expansion of the system at 132 kV within the central area of the Province of Buenos Aires, as well as the construction of two 500/132 kV transforming banks for 600 MVA and its assembly was lengthened to Rosario Oeste and Malvinas Argentinas Transforming Substations. In addition, in 2021, a call for bids was launched to carry out the civil works and assembly of two shunt capacitor banks at the Ezeiza Transforming Substation.

II) Transmission Network Enhancement Projects

The incorporation of the following works into the Transmission System:

II.1.- Federal Plan

Rincón Santa María – Resistencia Interconnection

- Construction of the Rincón Santa María - Resistencia 500 kV Extra High Voltage Transmission Line (270 km).
- Status: Under construction.

Bahía Blanca - Vivotará - Interconnection

- Construction of the Bahía Blanca – Vivotará 500 kV Extra High Voltage Transmission Line (400 km). New 500/132 kV Vivotará Transforming Substation (2x450 MVA).
- Status: Under construction.

II.2.- Electricity System Expansion Works Plan:

AMBA I Project (under study):

- New Plomer substation, with two 500/220 kV machines at 855 MVA in power each, a 500/132 kV machine with 450 MVA in power and shunt compensation (2x125 MVar), a STATCOM at +/- 250 MVar and links to 220 and 132 kV systems.
- Plomer - Atucha Interconnection. 500 kV Extra High Voltage Transmission Line Construction that is 98 km-long.
- Vivotará - Plomer Interconnection. 500 kV Extra High Voltage Transmission Line Construction that is 358 km-long with series compensation at the Vivotará Substation over the Bahía Blanca - Vivotará 500 kV Extra High Voltage Transmission Line.
- Ezeiza - Plomer Interconnection. 500 kV Extra High Voltage Transmission Line Construction that is 35 km-long, is equipped with a double triad with short-circuit arrester reactors.
- Veinticinco de Mayo - Ezeiza 500 kV Extra High Voltage Transmission Line (5EZVM2) re-routing from Ezeiza to Gral. Rodríguez.

Automatic Generation Disconnect Automatism

- Upgrades and segregations of the NEA, Litoral region and Comahue Generation Disconnect Automatism.
- Status: Being studied.

Plomer - O'Higgins Interconnection

- Plomer - O'Higgins 500 kV Extra High Voltage Transmission Line (200 km).
- Status: Being studied.

O'Higgins - Cnel. Charlone Interconnection

- Construction of the O'Higgins - Cnel. Charlone 500 kV Extra High Voltage Transmission Line (225 km) and the new 500/132 kV O'Higgins Transforming Substation (600 MVA).
- Status: Being studied.

Río Diamante - Cnel. Charlone Interconnection

- Construction of the Río Diamante – Cnel. Charlone 500 kV Extra High Voltage Transmission Line and the new Cnel. Charlone Transforming Substation with a transforming capacity of 600 MVA at 500/132 kV.
- Status: Under review.

Choele Choel – Pto. Madryn Interconnection

- Construction of the second Choele Choel – Pto. Madryn 500 kV Extra High Voltage Transmission Line (350 km).
- Status: Under review.

Choele Choel – Bahía Blanca Interconnection

- Construction of the second Choele Choel – Bahía Blanca 500 kV Extra High Voltage Transmission Line (340 km).
- Status: Under review.

II.3.- Works under Resolution SE N° 1/2003 and 821/2006

25 de Mayo Transforming Substation

- Sectioning of the Henderson – Ezeiza 2 Extra High Voltage Transmission Line.
- Installation of a 500/132 kV transformer with capacity to deliver 300 MVA.
- Enhancement of the 132 kV system operated by Transba S.A.
- Status: Under construction.

Malvinas Argentinas Transforming Substations

- Provision and supply for long-term stowage of a bank of 500/132 kV transformers at 600 MVA at the Malvinas Argentinas Substation.
- Status: Machine received. Assembly underway.

Rosario Oeste substation

- Supply and assembly for long-term stowage of a 500/132 kV transformer bank at 600 MVA at the Rosario Oeste substation.
- Status: Machine has been received. Assembly is underway.

Almafuerte substation

- Supply and assembly for long-term stowage of a 500/132 kV machine at 300 MVA at the Almafuerte substation unrestricted availability.
- Status: Machine has been received. Bid process for the assembly is underway.

II.4.- Other works to be executed by WEM Agents that are pending and/or underway

Rosario Oeste substation

- Construction of a 132 kV field to link a 132 kV line towards the Godoy substation (EPESF).
- Status: construction to be commenced.



Tariffs

Transmission System Comprehensive Tariff Review

With the enactment of the Solidarity Law, and effective since December 23, 2019, the government mandated that electricity tariffs under federal jurisdiction should remain unchanged, envisaging the possibility of initiating an extraordinary review of the current Comprehensive Tariff Review for up to 180 days.

During 2020, ENRE did not apply the remuneration adjustment mechanism established in the Comprehensive Tariff Review on a semiannual basis, but rather maintained the same tariff schedule resulting from August 2019's adjustment.

In this regard, on December 16, 2020, by means of Decree N° 1020/20, the Argentine Government established the beginning of the renegotiation of the current Comprehensive Tariff Review for electricity and natural gas transmission and distribution services under federal jurisdiction, to be completed within a term of up to 2 years. Until the completion of each renegotiation process, the agreements related to the respective Comprehensive Tariff Reviews currently in force should be suspended, within such scope as might be from time to time determined by the pertinent Regulatory Authorities, in view of the existing public interest reasons. The interim and final agreements will be subscribed by ENRE or ENARGAS, as the case may be, and the Ministry of Economy "ad referendum" of the Executive Branch's approval. Through such decree, the government also decided to extend for 90 subsequent days the period during which electricity tariffs should remain unchanged pursuant to Section 5 of the Social Solidarity and Productive Revival Law N° 27,541, or until such time as new interim tariff schedules become effective as a result of the Transition Tariff Arrangement.

On January 19, 2021, by means of Resolution N° 17/21, ENRE initiated the procedure to temporarily adjust electricity transmission tariffs in order to establish a Transition Tariff Arrangement, until such time as a Final Renegotiation Agreement is reached, calling for transmission companies to such end. In this regard, a request for information was received to commence

the process, which the Company has complied with, giving priority to the operating costs and capital expenditures required to maintain its service quality.

On March 3, 2021, by means of Resolutions Nos. 54/21 and 55/21, ENRE called for a Public Hearing to be held on March 29, 2021, in order to inform about and receive feedback on the Transition Tariff Arrangement of the Company, as part of the Comprehensive Tariff Review process and before setting new tariffs. On April 14, 2021, a Report on the Public Hearing Closure was published in the Official Gazette. Negotiations with ENRE continued in order to execute a Temporary Re-negotiation Agreement of the Comprehensive Renegotiation Agreement.

On January 26, 2022, Resolution N° 25/2022 was published in the Official Gazette. Pursuant to this Resolution, ENRE called a new public hearing to be held on February 17, 2022 in order to address, amongst other issues, the proposal advanced by transmission companies to carry out a temporary tariff adjustment in as much as they had not been modified since August 2019.

On February 25, 2022, ENRE communicated Resolutions N° 68/2022 and 69/2022, whereby the new hourly prices were approved. They came into force on February 1, 2022, establishing a 25% and 23% increase in connection with the values in force since August 2019 for Transener S.A. and Transba S.A., respectively. In the light of the difference between the financial forecasts and the values finally approved by the ENRE, the Company filed a petition to review the case file and a preliminary challenge. In addition, both resolutions shall be appealed.

On the other hand, on July 3, 2018, ENRE announced it had initiated the procedure to assess the remuneration of operational Independent Transmission Companies: TIBA (Transba S.A.), Fourth Line (Transener S.A.), YACYLEC and LITSA. Accordingly, on October 8, 2018, the respective costs, investments and expected remuneration in respect of the Fourth Line and TIBA were submitted to ENRE. To date, ENRE has not issued a resolution stating the results of the analysis of the requested information.





Economic Context

The Company operates amidst a complex economic context whose volatility was intensified by the outbreak of the COVID-19 pandemic, both in the domestic and the international scenario as well as the renegotiation process associated to the sovereign debt with the International Monetary Fund.

The Company is exposed to several financial risks associated with its activities, namely, market risk (including exchange rate risk, interest rate risk, and pricing risk), credit risk, and liquidity risk. In this regard, the Company operates in a complex economic context, the main variables of which have suffered strong volatility as a consequence of the pandemic, both in the domestic and the international scenarios. All this has had a negative impact on financial markets affecting the cost of borrowing, hedge activities, liquidity, and access to capital in general.

The Argentine Government has imposed certain foreign exchange market (locally known as "MULC") restrictions. In order to curb the demand for U.S. dollars, the Central Bank's previous consent for certain transactions, including payments of dividends; payments abroad of certain imported goods or settlement of indebtedness arising from imports and purchase of external assets;

Likewise, applicable exchange regulations already required the repatriation and conversion into local currency of the proceeds from the following, among others:

- Exports of goods and services;
- Collection of pre-export, and post-export financings and export advances;
- Exports of services;
- Disposal of external assets.

These or other exchange restrictions as might be enacted in the future could affect the Company's ability to access the official exchange market to purchase the foreign currency required to honor its financial obligations. Assets and liabilities in foreign currency as of December 31, 2021 were valued by reference to the prevailing exchange rates published by BNA.

The Company has adopted certain measures to curb the main impact of the aforementioned circumstances on its consolidated financial statements. In this respect, management permanently monitors the evolution of the variables affecting its business to determine the potential actions to be taken and identify the potential impacts on its financial position.

The Company believes that, in light of its current financial position, it will be able to honor its short-term commitments denominated in foreign currency.

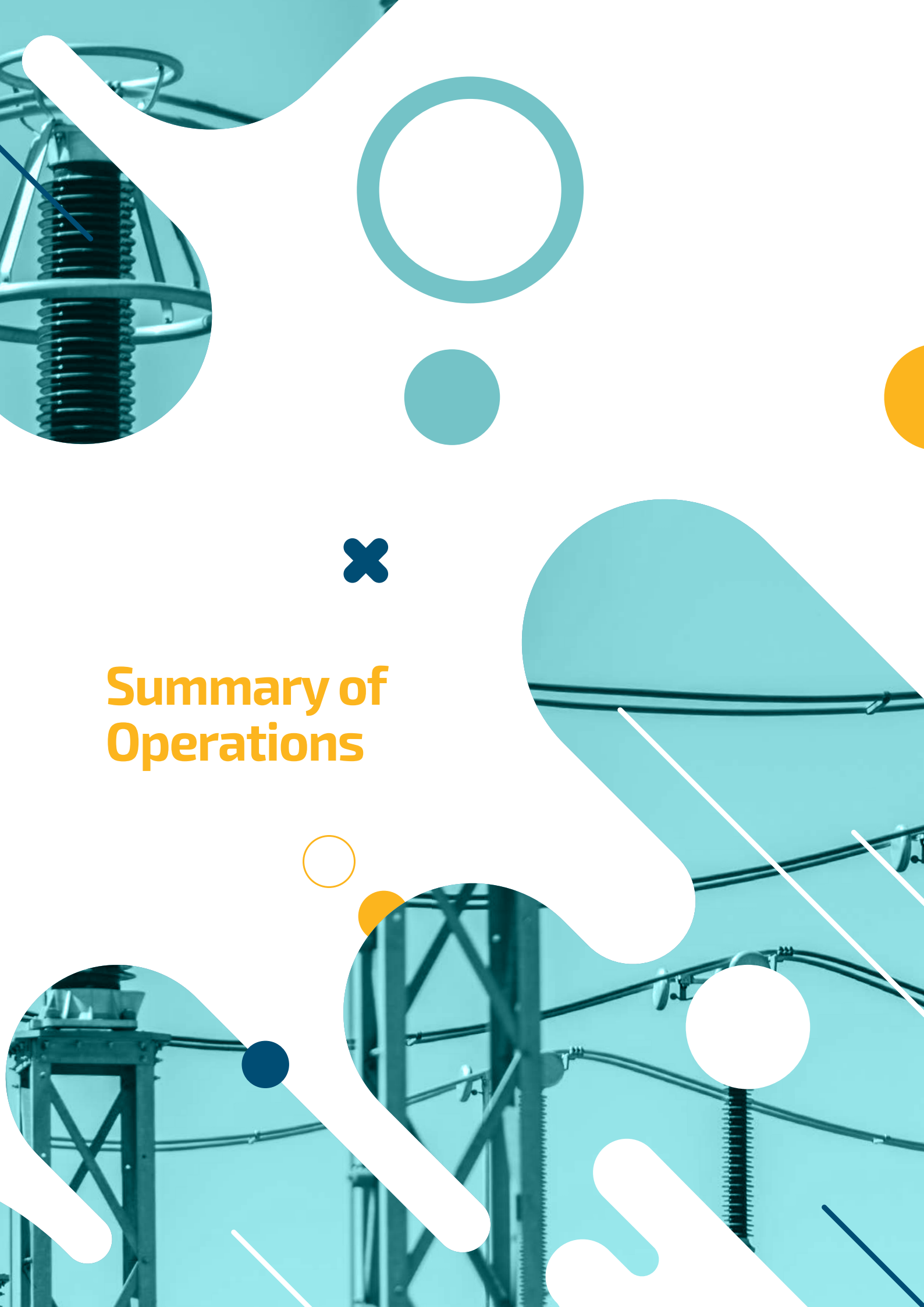
Impact of COVID-19 on the Company's operations

As of the date of this Annual Report, Decree N° 867/2021 whereby the Argentine Executive Branch extends the health emergency until December 31, 2022 was still in force. This notwithstanding, with the progress of vaccination and the ensuing improvement in the epidemiological situation, restrictions have become, for the most part, less strict. Social distancing will continue in line with public health.

The final extent of the COVID-19 outbreak and its impact on the economy in general and on the Company in particular and the extent to which they will be affected and the extent to which the Company's business and the results of operations will be affected. Given the Company's low indebtedness level, the Company believes it will be able to meet its financial commitments in the following twelve months.

Management permanently monitors the evolution of the variables affecting its business to determine the potential actions to be taken and identify the potential impacts on its financial position. The Company's Annual Report and consolidated financial statements should be read in light of these circumstances.





Summary of Operations

Maintenance

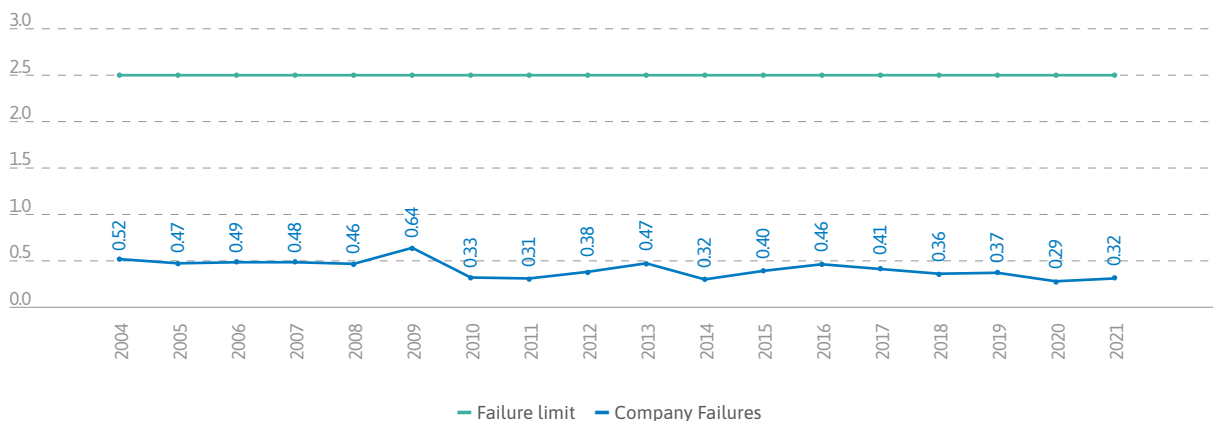
Service Quality

In the course of 2021, the power peak exceeded the maximum on record (which had been 26,320 MW, at 15:35 hours on February 8, 2018) twice and went as high as 26450 MW at 14:41 on January 25, and 27088 MW at 14:28 on 29/12.

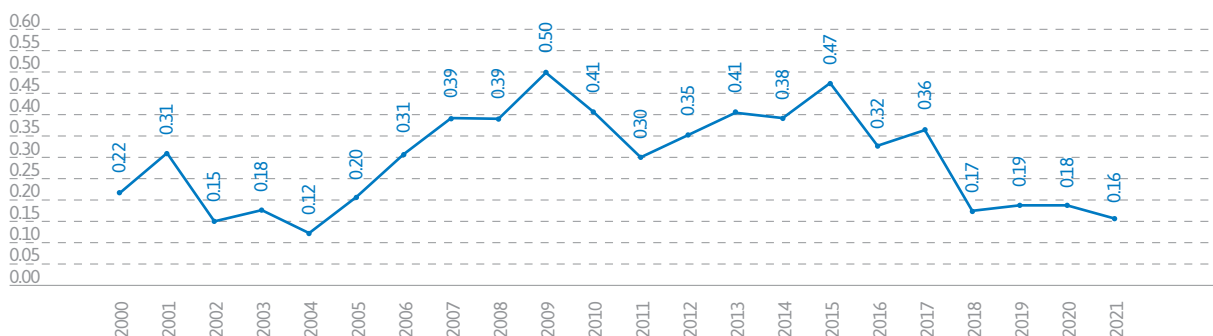
In spite of the huge volume of requests placed on the system, service quality throughout 2021 was totally acceptable considering the requirements imposed on a company such as Transener S.A. The year has come to an end in

Transener S.A. with a rate of failures of 0.32 faults every 100 kilometers of line, which is totally compatible with the generally accepted international parameters applicable to companies that manage and run extra high voltage transmission systems. The Company's quality indexes (rate of failures and facilities' availability) both in the case of transmission lines and transforming equipment are at the forefront among the region's values (Benchmarking 2020).

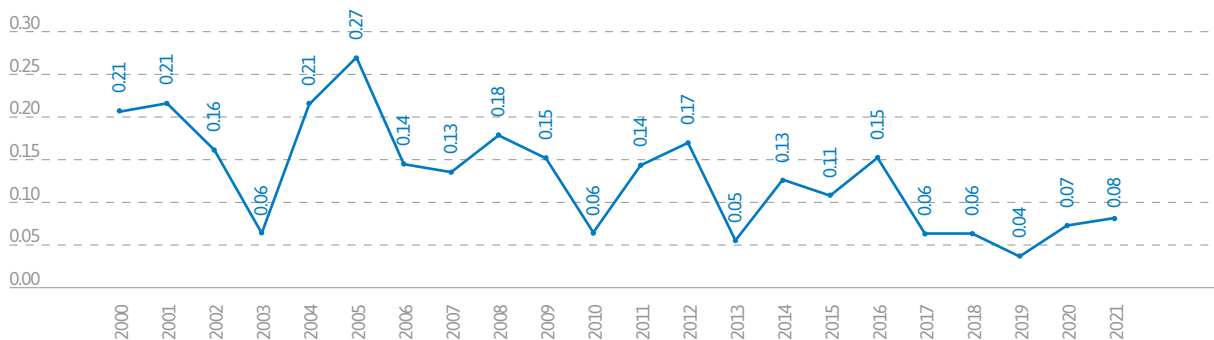
The following chart shows the failure index of 500 kV lines per each 100 kilometers as provided by the Company in the period 2004 to 2021:



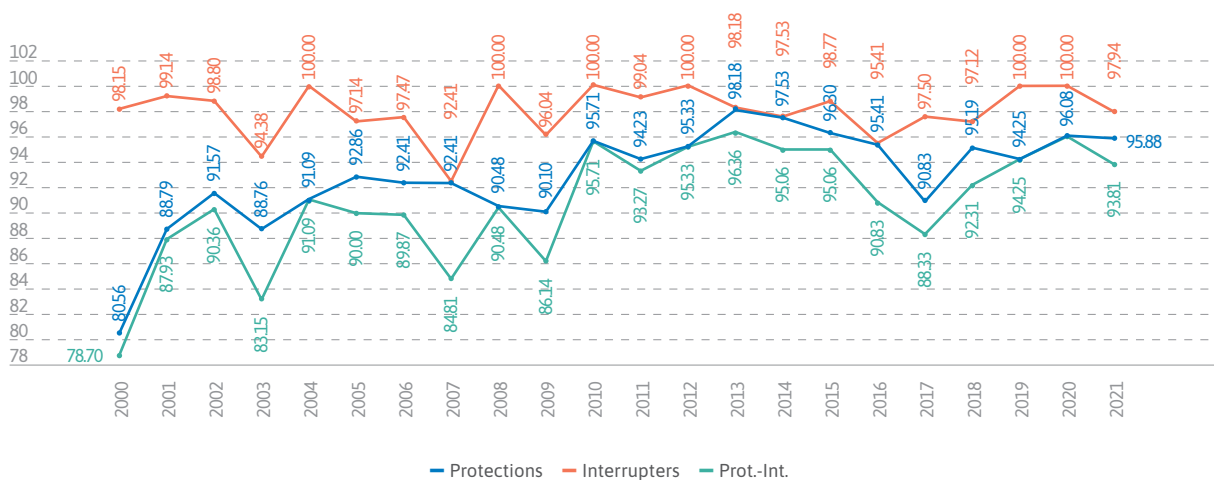
Annual index of regulated and non-regulated transformer disconnections in the period January to December 2021



Annual index of regulated and non-regulated reactors disconnections in the period January to December 2021



Effectiveness of High Voltage Transmission Lines at 500 kV shields and switches (cumulative as of December 2021)



Due to the operational limitations associated with the COVID-19 pandemic, seasonal maintenance scheduling was affected vis-à-vis the annual plan. Therefore, the Company made arrangements to complete critical corrective and preventive maintenance.

Despite the fact that our activities were designated as an “essential service” by local authorities, the abovementioned limitations were primarily related to difficulties for our

personnel to move around and travel to and from different jurisdictions (municipalities and provinces), difficulties in securing appropriate lodging, creation of health bubbles across work teams, difficulties to receive assistance and supervision of third-party suppliers requiring the presence of foreign personnel, etc.

In spite of the above-mentioned limitations, 2021 comes to an end with a compliance in excess of 50% of maintenance compliance.

Committees of Development and Improvement

As has been done for the past 7 years uninterruptedly, in the course of 2021, work continued with the Technical Committees where several procedures were discussed and improved. Below you will find each one of the machines involved in such committees:

Transmission lines that are higher than or equal to 220 kV.	MT switches and sectioning devices.
Transmission lines that are smaller than or equal to 220 kV.	Ancillary services.
AT switches and sectioning devices.	Maintenance Management System.
On-load tap changers.	Protections, Control.
Comunicaciones.	Warehouse handling and management.
Management of Tools and Devices to Maintain electrical substations.	Machines (transformers and reactors).
Oils.	Networks and cybersecurity.



Chemical Lab

During 2021, Transener S.A.'s Chemical Labs continued with its activities under a contingency arrangement, by reason of the health protocols applied in connection with the COVID-19 pandemic.

As from June 2021, we managed to attain operational levels previous to the pandemic.

- Laboratorio Químico Metro (LQM), located at Ezeiza Transforming Substation (Marcos Paz, Province of Buenos Aires).
- Laboratorio Químico Norte (LQN), located at Malvinas Transforming Substation (Montecristo, Province of Córdoba).

During 2021, the Chemical Lab conducted oil and water analyses as described below:

- Total oil analyses: 5,076, the breakdown of which is as follows:
 - Northern Region: 2,183.
 - Northern Region: 1,548.
 - Metropolitan Region: 1,345.
- Total quantity of water analyses: 85, the breakdown of which is as follows:
 - Northern Region: 38.
 - Northern Region: 17.
 - Metropolitan Region: 30.
- The Chemical Labs conducted oil analyses to diagnose failures, schedule maintenance, and install and start up various reactors and transformers for the different transforming substations. Work carried out on the following Transforming Substations must be emphasized: Santa Cruz Norte Transforming Substation, Rincón Transforming Substation, Atucha I Transforming Substation, Rosario Transforming Substation, Resistencia Transforming Substation, Paso de la Patria Transforming Substation and Santo Tomé Transforming Substation.
- Likewise, it is worth noting the analysis and assistance service for specific work carried out at: T3ZN, ET R1B5RI - R11L5RI, T1AT, T1RO, T2RO, T7RO, R2L5RO (R-S-T), R9B5RS (R-S-T)-R10L5RS (R-S-T), T7RD - ETPT, T2PT and R3L5ST(S).
- Emergency assistance due to failures/alarms/events was carried out in the following equipment: R1L5LA (S), R1L5LA (R-T), T2AT, R1B5HE (S) and R1L5AT (R).

The lab also provided analysis services for samples coming from the DMU Unit and subsequent issuance of Laboratory Report for submission to the Provincial Agency for Sustainable Development [OPDS].

- Also remarkable is the service delivered in the DMU unit at the Henderson Transforming Substation, R2B5HE (R-S-T), R6B5HE (R-S-T), R5B5HE (R-S-T), R1B5HE (R-S-T).
- Cooperation was lent to the LEMAT in the specific TTII analysis being studied.
- The lab also rendered services to external customers, including: GENELBA Thermal Power Plant (Pampa Energía S.A.).
- Specific training was delivered in connection with High Pressure Liquid Chromatograph (HPLC) in 2021, which allowed us to continue with analyses to determine the contents of furan and passivator in all the insulating oils contained in the Power Transformers owned by Transener. S.A specific training course was also delivered in connection with the Gaseous Chromatograph of the two labs (LQM and LQN), which helps strengthen the analysis of gases dissolved in oil.
- In addition, a new machine was incorporated to analyze particles in insulating oils at the Laboratorio Químico Norte (LQN), located in the Malvinas Substation (Montecristo, Province of Córdoba).

Voltage Work Center (cTcT)

During 2021, Transener S.A.'s Voltage Work Center carried out the activities described below:

Testing of Voltage Work tools:

- Stocks of Voltage Work tools were consolidated through work performed with 3 maintenance basis for the Northern Department.
- Number of protocols performed on tools: 317 (each protocol includes one or several tools).
- Tested tools and equipment: Approx. 682 at RO Lab and approx. 500 at BB Lab.
- Final commissioning of the new lab at the Recreo Transforming Substation, which was left 100% operational for electrical trials over detectors, carrying poles, gloves, electrically conductive apparel and measurement/diagnosis equipment. This way, the TcT Center at present has 3 assay laboratories, strategically located in the territory (Recreo-Catamarca, Rosario-Santa Fe and Bahía Blanca-BsAs.).

Hand-held grounding devices (PAT):

- Cooperation was lent to four proceedings to acquire hand-held grounding equipment (Major Purchases), the support activity consisted in the review of technical specifications, support in the review of bids and receipt of approval of the equipment acquired.
- A total of 166 new grounding devices were received (distributed amongst three departments: 33 GRM, 25 GRN and 127 GRS).
- General support was provided to the bases for the adjustment of Hand-held grounding devices currently in use, which appeared to be damaged or subject to irregularities as established in our proceedings. Such assistance consisted in receiving devices, verifying the adjustments to be performed, handling the repairs requested to the suppliers and the inspection of receipt for the subsequent shipment to final users. A total of 10 bases were served.
- Two Hand-held grounding device workshops in the e-learning modality.

Technical training:

- 96% of the personnel who applied was renewed and enabled in TCT, with the remaining 4% having been suspended for several reasons.
- Technical strengthening plan.

Courses for Regional Coaches and for the CTcT: two courses were given.

- Workshop of thermographies in lines.
- Participation in the Regional Energy Integration Committee CIER 2021:

This area participated in three inter-disciplinary working groups for Research and Development in TCT hands-on subjects.

- "Work in de-energized establishments though not grounded".
- "Methodology to repair OPGW conductors with voltage in places that are not accessible with heavy equipment".
- "Limits for Voltage Work in establishments with low arrow conductors and high operating temperatures".



Studies concerning regulatory changes in 2021:

The change in the IEC 60895- 2020 Live working - Conductive clothing standard was studied. It has an impact on acquisition of new conductive suits and follow-up of conductive suits in use.

Special studies 2021:

The new generation of 500 kV polymeric insulators was studied. At the moment, they were in use to evaluate the reliability, proposing mechanical laboratory assays as per IEC 61109 standard "Composite suspension and tension insulators for a.c. systems with a nominal voltage greater than 1 000 V - Definitions, test methods and criteria" and document CIGRE 545 "Assessment of in-service Composite Insulators by using Diagnostic Tools".

Aerial rounds:

- Aerial patrolling rounds, totally outsourced to third-party aircraft, completing the regional department needs. When it comes to the Q4 2021, the rehabilitation was carried out of the service performed using an aircraft and a company pilot through a Dallas-USA training recall and aircraft operational tests. Close to December 2021, patrolling tours were performed in the GRM lines (Buenos Aires and Entre Ríos).
- Inspections with drones in individual spots (Retainment 5ACRO1 and island zones at 5GPA-ST1, footage of endeavors to replace beaconing spheres 5CACE1).

Highlights:

- Case study and contamination measurement at CN Transforming Substation.
- Withdrawal of nest at 132 kV coupling breaker in high rise at GPA Transforming Substation. "Manual method".
- Participation in CE21 AEA, CE54 AEA study committees (A minimum safe distance proposal was submitted).
- Submission of new Voltage Work rules and regulations to the Four-party Board of the Superintendence of Occupational Risks.
- Assays of third-party tools - Acindar grupo arcelormittal.
- Traction mechanical assays in polymeric insulators carried out at UNLP.
- Studies concerning the yielding level in new and used conductive suits (LEMAT).

Middle and High Voltage Assay Lab [Laboratorio de Ensayos de Media y Alta Tensión (LEMAT)]

- 1.- Post-mortem analysis of the 500 kV failed bushing and follow-up on similar equipment.

The post-mortem analysis was carried out over the bushing at LEMAT after reaching an agreement of the details with the manufacturer. As a part of the analysis, polymerization degree assays were performed over the paper in different territories as well as metallographies in the core pipe. Cooperation is still being lent to the interpretation of the thermographic follow-up to other similar equipment.

- 2.- Test of new follow-up assays through partial discharges. A follow-up campaign is being deployed over different types of transforming substation equipment through the supervision of the activity consisting in partial discharges by radiofrequency, in service.

- 3.- Installation of the Partial Discharge Detector (DDP) at the Choele Choele transforming substation.

Work on installing the DDP sensors at the Choele Choele transforming substation was completed. Work is now being carried out in linking the identifier/locator tool and the system to record events at the Transforming Substation.

- 4.- Assays of conductive fabric suits for Voltage Work Center CTCt. Measurements were taken to determine the degradation of suit behavior through the use, assaying suits with different times of normal wear and tear submitting them to electrical fields that are known and verifying the level of shielding inside.

- 5.- Involvement in the technical training in thermography in lines.

This area was involved in the preparation of the Working Instructions in the Training Program for Line Specialists and cooperation was lent to the deployment of the course.

- 6.- Workshops of Thermography at the Maneuvering Yard of Transforming Substations.

Workshops were carried out to exchange information and apply the working instructions that came into force in 2021.

- 7.- SFRA assay in the manufacturing plant. The Frequency Response Assay (SFRA) was performed at the CEGELEC power converter after the repair.

Maintenance of On-Load Tap Changers (OLTC)

In the course of 2021, a major overhaul was carried out over 18 OLTC out of a total of 38 scheduled maintenance sessions. Due to external operating limitations (posed by the COVID-19 contingency), the other services for 2022 had to be rescheduled, monitoring anyway the normal operation of the E/S equipment.

Oil Decontamination Treatment

DBDS depolarizing program:

- 161,050 liters of oil treated.
- Work was performed in the R3L5CL T, R4L5CL – back-up reactors, R4L5CL T, R4L5CL S, R4L5CL R, all of which are located in the Choele Choele substation in the Province of Rio Negro and the R3L5BB R, R3L5BB S and R3L5BB T reactors with the latter located in the Bahía Blanca Transforming Substation. This service is aimed at depolarizing the insulating oil, removing the DBDS composite in order to prevent risks of corrosive sulfur in oil that may be present that may seriously affect solid insulations in power machines thereby preventing potential internal failures with serious consequences for the unit and the system in which operational services are provided.

Program to Assist Regions, Regeneration, Degasification and oil filtering

190,800 liters of oil were treated. Work was done in the degasification work in the R1B5HER, R1B5HES, R1B5HET, R5B5HER, R5B5HES, R5B5HET, R6B5HER, R6B5HES, R6B5HET, R2B5HER, R2B5HES and R2B5HET reactors, all of them located at the Transener S.A. Henderson transforming substation in the Province of Buenos Aires.

Maintenance Management System

Transener S.A.'s Operations and Maintenance Management system includes 4 modules that will be integrated into the SAP Fiori platform.

With this implementation what can be achieved is to streamline the process to apply for licenses as well as the possibility of increased foreseeability in work planning. In addition, the process to generate licenses in both Companies could be standardized.

Also during 2021, major progress was attained in the SAP PM Module of all the technical databases for equipment, attaining details defined by catalogs and standardized in a single database. This is undergoing a final testing and development stage that will allow the area to identify the equipment and technical characteristics fast.

Besides, the Maintenance Management Committee worked on adapting maintenance plans and working roadmaps which allowed this area to incorporate a larger quantity and quality of data as well as to attain traceability in the different speciality maintenance interventions.

Another highlight was the progress with the SAP Mobility application. During 2021, the first implementation stage came

to an end. It was at this juncture where more than 100 mobile devices were distributed. To that end, tablets were distributed and the training of more than 130 persons who will use the tool. This permitted the evolution in the use of the application as well as the digitalization of work orders which allowed the area to add hundreds of data automatically in PM. Progress shall continue to move forward with a second stage of the application in a manner such as to encompass different specialty areas. Besides, the uninterrupted follow-up of key users and attention to improvement opportunities in a manner such as to optimize the tool.

Failures Analysis

The required failure analysis reports were prepared giving rise to technical recommendations. The pertinent corrective and preventative actions required for implementation were generated. The Maintenance Assistance (AaM) area worked on the development of statistical failure analyses and monthly maintenance indexes, and also in making changes to related procedures.

Follow-up meetings were held with the sectors involved to review the most significant outages which served as a springboard to address different topics and implement the actions necessary to avoid future occurrences. The closure of all those failure analysis that were complied with were closed.

Let's be Safe Plan

In accordance with one of the Company's General Manager Guidelines, the Recovery of the Personal Safety Indices is a priority objective.

From the Company's general point of view, a number of actions were launched in order to power a cultural change concerning Personal Safety in order to expressly acknowledge that Safety is a Value and that Safety cannot be a complement to Operations and Maintenance. Rather, Safety has to be a part of it.

The creation of an Integrated Safety Cabinet was fostered. This Cabinet would include the involvement of the Technical Director's office and the Human Resources' Director office.

Another transcendental initiative was the call to Safety Ambassadors. This initiative now has more than 70 volunteers from various directors' offices, hierarchical positions and functional positions.

Besides, some measures were driven as they were aimed at standardizing situations that were understood to go against the correct planning of tasks and which shall configure potential risk situations for persons. Some of these measures were:

- Normalization of working sites (workshops, warehouses and locations).
- Massive broadcast of accidents and incidents reports with emerging learning.



- Modification of Safe Work Methods documented and integration of safety concepts within technical procedures.
- Re-design of the scope of Cascading Controls that are carried out by the Technical Manager, primarily focused in the observation of technical behaviours and capabilities.
- Pieces of massive dissemination inside the Company through flyers, digital billboards, drawing contests, etc.
- Intensified use of the Planning checklists for each specialty.
- Review of the processes to coordinate and schedule intra-region interventions.
- Proceedings with CAMMESA aimed at attaining higher predictability in the authorization of Working Licenses.
- Contact with and engagement of an external consultant specialized in safety in order to perform a diagnosis and aid in the action plan.

Technical Consolidation Training Program

The Company continued with the development of the program, incorporating additional modules to the same while taking care of other critical needs to maintain and reinforce the Company's technical expertise and incorporating teaching improvements in the learning exchanges as for instance through computerized e-learning tools and Google forms.

One of the principal differentials in 2021 was the design and validation of the Matrixes and Training by position and by speciality. On the basis of this design, a professional development plan was required for each position within the Company. In addition and along the same lines, work was done in the assessment and establishment of a plan to supplement the trainings through the Training Centers in a manner such as to supplement trainings through activities in the Training Centers in a manner such as to attain a higher practical component in personnel training.

In this respect, several training courses were developed (and delivered online due to situation that the Company continues to go through as a result of the pandemic).

- Transforming Substation Technicians: training sessions took place in Protection Systems, Communications Systems and in-situ trainings (in each Transforming Substations) to the whole headcount of technicians.
- Middle-management. Predictive models. Event and alarm management. Oil evaluation systems and Machine diagnosis. Protection system for non-specialists, etc.
- Training sessions were generated for a specialty in the field of digital technical networks and communications.
- Training sessions were generated in management and associated to topics to deal with process improvements (Management Indicators /PM Workshops / Transportation / Equipment ABM).

MEGA Project

Background information

In 2019, the Development and Improvement Committee associated to "Maintenance Engineering and Strategies" was created in order to analyze the state of the art when it comes to tools to manage assets that should be better and/or supplementary to those presently performed at Transener S.A.

This led to the conclusion that the maintenance strategy based on interventions as from "fixed" time frequencies and with the same list of tasks, they are being surpassed by other that complement Predictive Techniques. This implementation is possible thanks to new associated technologies.

This way, and given the identification that it is not enough to think about maintenance associated phases, the aim is Asset Management, from inception and design until final disposal after the attainment of the useful life. To do this, a more transcendental, global and comprehensive of systems is called for.

The initials in Spanish of Migration to Asset Management Strategy "MEGA" lends its name to a project that will entail the establishment of research and operational teams, strategically coordinated with working plans and pre-defined, periodically reviewed actions in order to attain the proposed objectives.

Therefore, pursuant to the MEGA Project, the standardized and organized study has commenced in connection with the GdA, whose main objective is to diagnose the improvement gaps in the matter. Within MEGA, several research groups are working under the designation Professional Research Team (EPI as per the initials in Spanish) and Operational Professional Teams (EPO as per the initials in Spanish), findings and conclusions that this report will use as a valuable source of support and back-up.

The objective of this project arises as one of the Guidelines of the Office of the General Manager and its main objective is to attain best practices in the Company's Asset Management.

As to the main highlights for 2021 we can mention:

- Two Progress Report panels were held with working teams attended also by Managers and Directors. At the same time, feedback meetings with the teams were held.
- Monthly meetings were held for follow-up purposes with the office of the General Manager.
- Coordination and liaisons between working teams were continuously monitored in a manner such as to answer concerns and direct the guidelines imparted by the project.





- Progress was made in a first stage of Analysis to Govern and Manage Data, this aspect requires, looking forward, a given order and a plan for implementation.
- A continuous coordination was performed from the CAE in a manner such to monitor the main advances and management needs.
- As a strategic tool to develop the MEGA, our company added its membership to the EPRI - Electric Power Research Institute, a globally recognized entity to foster the Research and Development of Utilities in the electrical market at the global level.

Transener S.A.'s membership in the EPRI Program is an achievement that must be celebrated by the whole Company thanks to the contribution in technology, research and development that this relationship entails. This initiative was submitted to Transener S.A. following a proposal by the Development and Improvement Committee, in the face of the need to shift from preventative to predictive maintenance.

To provide some background information, the EPRI continuously works on the research and analysis of topics related to the generation, distribution and use of electricity.

In addition, it takes an active role in the environmental impact of this industry. Apart from being a major step for the technical knowledge of our workers, this relationship is synonymous with huge benefits for the Argentine electrical industry.

Transener S.A. is a lead player in the following segments:

- P34.001: Analysis of transmission asset management: principles, practices and technological transfer.
- P34.002: Transforming substation asset analysis.

The liaison with EPRI allows us to resort to endless and valuable contributions of details and knowledge which would otherwise be impossible to obtain due to an extension in quantity and quality. These shall be the main benefits to which Transener S.A. will be entitled:

- Develop data models to comprehend the current status of assets creating specific policies for their use and management.
- Access a database of assets and industry metrics to anticipate failures and analyses so that we can rely with increased foreseeability of capital management.
- Develop algorithms to assess asset health and risk mitigation strategies.
- Develop a consistent analytical basis to make CAPEX and OPEX decisions.
- Provide cooperation environments to share the lessons learned and the best practices.

To wrap up, membership in the EPRI program reflects the values underlying Transener S.A.: the aim is that leaders and workers should be capable of reinforcing their technical knowledge and continue with a continuous improvement culture that characterizes us.



Operations

COT - Operations Control Center

Permits for Operators

The Company renewed the Permits of 4 Heads of Shift. In addition, this area renewed the Permits of a further 15 COT Operators and the first COT Support Operator License was obtained

From the moment the COT Support Operator License was obtained, there was one addition to the number of operators in the Morning Shift Duties in the COT which started to operate with a configuration of Head of Shift plus four Operators, to be able to serve with an adequate quality the system's operational needs.

The Company renewed and/or granted the Permit of 128 Transforming Substation Technicians. The permits of the rest of the Company's operations personnel are still valid. They will be renewed as soon as their validity terms expire as prescribed by Technical Procedure N° 15 of Compañía Administradora del Mercado Mayorista Eléctrico S.A. (CAMMESA).

Training

The following training courses were delivered to Operators, Heads of Shift and personnel of the Weekly and Daily Programming Area:

COURSE
Protections for COT operators.
Studies and simulations for the system operation.
Power flows, short-circuits and electrical and mechanic stability.
Generation Automatic Disconnects (DAG).
Wholesale Electricity Market Regulation.
Communications Systems applied to electricity transmission.
Requests and Lock-out/Tag-out procedures applicable to equipment in transmission networks.
Network synchronization and criteria to adjust synchronism verifiers.
Operation of SCADA Monarch.
Use of the OTS for Operators' training.

The Operator Training Simulator system started to be used in the new Operator Training Room. Throughout the second half of the year individual day meetings were held with the involvement of COT operators. During the training sessions a number of operational situations were discussed, both programmed maneuvers and untimely equipment disconnects.

- As from August, the three operator per shift scheme was completed both for the morning and the afternoon, maintaining an operator less during the night shift to rely on back-up personnel in the event of contingencies.

Manuals for the Transforming Substations

The Company updated the Manuals of Standard Operating Procedures at the Gran Mendoza, General Rodríguez, Atucha, Romang and Santo Tomé transforming substations. Also, the proposals of the Operations Manual of the Transforming Substations for Rosario Oeste and Nueva San Juan were submitted.

Transener S.A.'s Maintenance Facilities Requests

The process to manage requests for installations for maintenance was followed along normal channels. Weekly meetings to coordinate with CAMMESA continued to be held in order to facilitate the formation of consent between CAMMESA and the several participants of the Electrical Market.

COVID-19

In order to minimize personnel movement, while preventing the virus spread among people to the maximum possible extent, the Company adopted the following preventative measures:

- The telework modality continued almost throughout the entire year with very good results. In December the Company implemented a mixed in-person/telework scheme with three days of in-person work and two days of telework per week.
- At the start of the year, the Command Room has been in operation with a scheme of Head of Shift plus two operators in each one of the three shifts.

To try to pave the way towards intervention authorizations on transmission system elements on the part of CAMMESA towards the end of the year, a working group was created by specialists from both companies aimed at analyzing the feasibility of maintenance programs submitted by Transener S.A. and to review the criteria for the authorization of interventions applied by CAMMESA.

Besides, the shift system implemented was maintained for delivery of Work Permits to order and optimize Control Center Management.

Reports on Disruptions

A total of 423 reports were prepared concerning Anomalies and Disruptions during 2021. In the framework of CAMMESA's Technical Procedure N° 11 entitled "Disruption Analysis" 337 Preliminary Reports and 36 Final Disruption Reports were prepared.

Operational Aspects

The Service Order N° 8 "Recovery of the Argentine Interconnection System after total collapse" was subject to a final review and publication.

- A proposal was prepared to undertake a whole update of the Service Order N° 3 "Procedure to request high voltage transmission network equipment or installations for maintenance. The proposed version was sent to the maintenance area for it to comment on it and the final version is now underway.
- The Company continued to work with the several technical areas involved in the new Procedure for codifying alarms and setting up the groups that should be considered in the databases of the new installations.
- To ensure that new installations are adequately phased into service in the Argentine Electrical Grid, this area reviewed the different energization plans submitted by the contractors throughout the year in order to have the new equipment enabled, assessing in each case the incidence on the equipment in service and on the network operation in general.
- As a result of the enhancements conducted in the Argentine Electrical Grid, new transformers and connection points at 500 kV and at 132 kV were incorporated into the supervision and remote command from Transener S.A.'s Operations Control Center (COT).

The detail of the new facilities incorporated into the grid in 2021 is as follows:

- **Puerto Madryn Transforming Substation**
New 132 kV connection to the new line to the Loma Blanca Oeste (1LBO-PY1) Wind Farm.
- **La Rioja Sur Nuevo Transforming Substation**
500 kV bus bar reactor (R1B5LA).
- **Santa Cruz Norte Transforming Substation**
New 132 kV connection to the new line to the Caleta Olivia Transforming Substation. Afterwards, this line was linked to the Cañadón León (1CLE-ZN1) Wind Farm.
- **New T3ZN 500/132 kV - 150 MVA transformer bank with a back-up phase**
- **New San Juan Transforming Substation**
New Nueva San Juan - Rodeo 500 kV line. The line is operated at 132 kV temporarily linked to the Rodeo end to the Bauchaceta (1NSJ-ROD1) transforming substation.
- **Santiago del Estero transforming substation**
New connections at 132 kV to new lines to Santiago Centro (1SCES1) and Primera Junta (1PJUSE1) transforming substations.



Operations Engineering

- Support to operations in real time with the performance of the Electrical Studies required for special system operation conditions both in the case of lengthy forced outages and of scheduled maintenance tasks.
- Analyses and follow-ups were performed of the Maintenance Programs applicable to Transmission Equipment in support of Transener S.A.'s area responsible for weekly and daily programming (COT) with efforts geared towards discussing with CAMMESA the grant of authorizations which are considered doable from the standpoint of Transener S.A.
- The electrical studies have started and so has the preparation of tables to update the Comahue DAG in the face of high exports from the Bahía Blanca and Choele Choele nodes. Along the same lines, a PLC program proposal has been prepared at the OL level in order to complement RCPF. This will continue in 2022.
- Cooperation was lent to the Network Planning Department in the studies to analyze exploratory transmission limits in the 500 kV Patagonian Corridor in the event of single-phase failures with Successful Single-Phase Reclosure (RME, as per the initials in Spanish) in the framework of the future receipt of the hydroelectrical power stations in the Santa Cruz river¹.
- This area undertook an analysis of reactive power distribution in the following transforming substations T1EZ, T3EZ and T10EZ 500/220/132 kV which were connected in parallel to the EZ transforming substation.
- It also analyzed the behaviour of the Atucha 2 nuclear power plant at the moment of the failure on May 28, 2021 which was filed with NASA.
- Analysis/research of the current adjustment of the Comprehensive-Proportional Regulator of the joint control of synchronous compensators at Ezeiza.
- A pre-feasibility study was performed over the Out-of-Step Protection relays for controlled separation from the Argentine Electrical Grid, conceived as a back-up for the Generation Automatic Disconnects. A brief was submitted to the office of the Technical Director.
- Algorithms for the DAG Comahue and NEA were analyzed and modified to satisfy system needs, either for new generation (Terminal 6 thermal station, Pomona Wind Farm, Temporary T2PY automatic generation disconnect) or network enhancements (5RIRS2) to name but a few (selection of the 3 Aes Paraná machines).
- Changes were made in the NEA DAG aimed at increasing Automatism reliability and the Argentine Electrical Grid in the case of weak configurations (N-2 or higher).
- Analysis and reports were carried out to energize lines (5ACRO1, Bauchaceta-Nueva San Juan, 5RIRS2)
- A study was performed to determine the export limit from 132 kV to 500 kV at the Santa Cruz Norte transforming substation, taking into account the different topologies and automatisms.
- The new export limits were calculated for the Rincon Transforming Substation for the commissioning planned for the 5RIRS2 line in the full network and N-1.
- Seasonal Programming limits were updated for the Argentine Northwest, Northeast, Central and Cuyo (RES#: 2, 11, 39 and 78).
- Analyses were carried out, improvements were proposed and stage II studies were agreed for new generation to the Argentine Electrical Grid (Cañadón León Wind Farm, Loma Blanca 6 Wind Farm and Vientos Neuquinos Wind Farm) and for expansions of transmission network (LEAT Rincón-Resistencia 2 and Puerto Madryn Transformer N° 3 of Puerto Madryn).

- Aid was lent to the Technical Directorate for the assessment of Operations Personnel (COT Operators and Transforming Substation Technicians) with a view to renewing their licenses under the Technical Procedure N° 15. As a part of this task, this area provided training for the Control Center's new hires.
- Work teams from CAMMESA and Transener S.A. worked together to implement PMU Reason.
- Reports were prepared for the Critical Situations for the 2021 winter and the 2021/2022 summer
- The single-line diagram database of Transener S.A.'s network was maintained. Support was also given to codify future facilities (El Espinillo, Gran Córdoba, Esquema Unifilar General de Transener S.A., Santa Cruz Norte, Santiago del Estero, La Rioja, Rosario Oeste, Santo Tomé, Choele Choele, Nueva San Juan, Paso de la Patria, Ramallo, Colonia Elía, Genelba, Puerto Madryn, Resistencia and Rodeo)².
- Cooperation was lent contributing arguments to abide by the penalties of the Temporary Service Quality Document.
- A weekly DAG report describing the generation percentage to be disconnected in respect of the demand from the Argentine Electrical Grid.
- Full budgetary monitoring across the GPOR, issuing periodical reports and controlling expenses in a detailed manner. The CAPEX projects of the Network Planning and Operation were managed, created and followed-up.
- Synchronism check equipment adjustments were studied and determined for the new facilities commissioned or to be commissioned (Resistencia, Santa Cruz Norte, Nueva San Juan, Bauchaceta).

The following Service Orders were submitted to CAMMESA and approved as Service Order of the Argentine Electrical Grid:

- Service Order N° 8: Recovery of the Argentine Interconnection System after total collapse.



This area also submitted the following items to CAMMESA:

- Service Order N° 03: Procedure to request equipment or facilities in the High Voltage Transmission Network for Maintenance purposes.
- Service Order N° 14: Voltage Work in the High Voltage Transmission Network
- Service Order N° 17: Operation of the Interconnection Electrical Grid in the Northeast Area
- Service Order N° 18: Operation Standards for Transener S.A.'s connection to the nuclear power stations Atucha I and Atucha II
- Service Order N° 30: Operation Standards for Transener S.A.'s connection to the Thermal-Electrical Power Station Genelba
- Service Order N° 36: Transener S.A.'s network operations in the event of irregularities in the Control System
- Service Order N° 45: Operation of EPEC Automatisms implemented in the Malvinas Argentinas transforming substation
- Service Order N° 56: Line testing after a failure.
- Service Order N° 61: Operation of the Ezeiza Transforming Substation and description of the Demand Disconnect Automatism (DAD)
- Service Order N° 63: Temporary operation of the Luján transforming substation with operational restrictions
- Service Order N° 02: Codes for identification and characteristics of sub-stations and equipment in the Transener S.A. network.

1.- Scd and/or real-time application program calculations were updated for the following transforming substations: Rosario Oeste, Ezeiza and Gral. Rodríguez.

2.- The records of the various Oscillation Monitoring Systems were sent to CAMMESA in connection with important events in the Argentine Grid.



Network Planning

- Preparation of Transener S.A.'s 2022 – 2029 Reference Guide.
- Evaluation of the Access and Enhancement Technical Feasibility Electrical Studies (Stage 1 – CAMMESA's Technical Procedure N° 1) for the following projects:
 - 360 MW Central Serrana Wind Farm to be connected to the transmission system by means of the new 500/33 kV Central Serrana Transforming Substation, which will initially section the 500 kV Choel Choel - Guillermo Brown line. Evaluation of studies that are additional to those already submitted in 2020.
 - Enhancement of transforming capacity by 33 kV at the Macachín substation. Application submitted by APELP.
 - Enhancement Request submitted by Goldwind Argentina S.A., for the installation of a second bank of 500/132 kV transformers at 600 MVA at the Puerto Madryn transforming substation.
 - Request for access submitted by ENEL Trading Argentina, a trader of the WEM, in order to request for access and connection to a project with the Republic of Chile named "Los Cóndores - Río Diamante. Evaluation of studies in addition to those filed in 2020".
 - Access and Enhancement Application filed by EDET S.A., to install a new 132 kV line field at the El Bracho transforming substation and the adaptation of the field 19 in the same substation, to connect the Double Triad High Voltage transmission line that shall link the El Bracho and Villa Quinteros transforming substations.
 - Review of transitory electromagnetic studies associated to the project of the future El Espinillo 500/132 kV transforming substation. These proceedings were conducted by EDET S.A. This project includes sectioning the El Bracho-Cobos line in the proximity of the El Bracho transforming substation.
- Analysis of the Evaluation performed by CAMMESA over Stage 1 and/or 2 Electrical Studies for the following projects:
 - New San Juan Solar Farm, at 200 MW in power, to be linked to the transmission network at 220 kV and belonging to Distrocuyo to a new 220/33 kV transforming substation.
 - New Sierra de Ullum Solar Farm, with 58 MW in power to be linked and in 33 kV bars to the Solar Transforming Station Ullum, belonging to EPSE (San Juan).
- Stage 1 and/or 2 Study Services or other to third parties or to internal customers with the Company's own personnel or through the engagement of consultants for the following projects:
 - Yaciretá Bi-national Entity – Modelling and studies for the future Argentina-Paraguay-Brazil international interconnection, through the Yaciretá Hydropower station link (LP1 and LP2 egress points)–Ayolas-Villa Hayes-Itaipú 50 Hz Hydropower Station and controls over the HVDC link to Ibiuna, for the Bi-national Yaciretá entity.
- Parameter value consistency analysis to include in database:
 - 05 and 06 132 kV fields at the La Rioja Sur transforming substation
 - Bus bar reactor R1B5LA at 80 MVAR in power in the La Rioja Sur transforming substation
 - Interconnection between the Nueva San Juan and Rodeo transforming substations initially operated at 132 kV.
- Review/Preparation of specifications for the technical bid documents and permits:
 - Review of the document related to the Supervision Scope of the project of Hydroelectrical Power Plant in the Santa Cruz river
 - Enquiries related to the Supervision Agreement for the installation of a Concentrator Node at the Cobos transforming substation.
- Participation in the CAMMESA-Transener S.A. Task Force N° 5 during 2020 and in early 2021 concerning Actions after the collapse of the Argentine Interconnection Grid dated June 16, 2019 when it comes to "Limits on Transportation and safety in dispatch". In-depth work on the subject "Argentine Grid Interconnection Reliability - Recommendations".
- Customer Advice:
 - Scope and sequence of the convenient works group under AMBA I 500 kV Works Program of UESTEE, taking care of the Argentine Electrical Grid's reliability requirements, including provisions for the subsequent stage of AMBA II.
 - Scope analysis of the studies, scenarios and validation of data for the project of the future El Espinillo 500/132 kV transforming substation.
 - Update, review and proposal of works for the STAT in the framework of the ATEERA document submitted to WEM authorities.
- Studies and analysis performed for the Company itself or requested by internal customers:
 - Analysis of the requirements to be applied in the case of OPGW and its companion thread in the case of a 500 kV High Voltage Transmission Line, associated to the Plan of 500 kV Works for AMBA I in the UESTEE.
 - Analysis of the document sent by CAMMESA, which contained the protocol to be applied in the interconnected operation test between Argentine Electrical Grid and SINP.
 - Feasibility analysis for modifications in the shunt compensation of the 500 kV line 5CNST1.
 - Analysis of exploratory transmission limits in the 500 kV Patagonian Corridor in the event of single-phase failures with Successful Single-Phase Reclosure (RME, as per the initials in Spanish) in the framework of the future receipt of the hydroelectrical power stations in the Santa Cruz river.
- Preparation of work procedures and methodologies:
 - Preparation of a working methodology for use in modelling and forecasting electricity demands in Transener S.A.'s Reference Guides.
- Development of Course Notes for integration into the specific Training Modules of the areas Network Planning and Operations Engineering in the Company's Knowledge Matrix Operation:
 - **Module held:** "Power Electrical Systems Planning": Demand and forecasts, general concepts about power systems planning and reliability, criteria to design the transmission systems, international practices and standards, Deterministic and Probabilistic Planning in transmission systems.
 - **Module:** "Use of electromagnetic temporary study simulations in the Company" Topic addressed: (duly founded documentation) for use by third parties of a simplified methodology for implementation in a spreadsheet for a first rapid evaluation of shunt compensation in the 500 kV lines (line reactors with their associated neuter reactor), both from the point of view of success probability of the single-phase reclosure as well as for preventing the occurrence of resonance by open phases, contrasting results with ATP simulations.

Business Development

Engineering Services - Works

When it came to the works for the expansion of the electrical system, Transener S.A. focused its efforts on those works for which it has competitive advantages and it prioritized the works to be performed on the 500 kV and 132 kV system.

This area continued providing support to renewable energy generation works in connection with ancillary services to implement the systems for controlling generation and demand (Automatic Export Demand Disconnect and Automatic Generation Disconnect), assays and commissioning in transforming substations. Transener S.A.'s experience has been a decisive factor for customers who have desired to delegate the performance of critical tasks to Transener S.A. Amongst the most important tasks, there are the works of enhancement to 132 kV for the connection of wind farms with the replacement of 132 kV Bus bars at the Miramar Substation.

Together with these tasks, this area continued with the supply of energy equipment in remote sites on the basis of the "Capture Thread" system for communication systems related to leases of fiber optics for third parties.

Services associated to Electricity Transmission

Operation, maintenance and other services, such as specific assays requested by customers in the private sector who are owners of transmission facilities which comprise both the equipment they use privately and the equipment allocated to public service (Independent Transmission Companies and

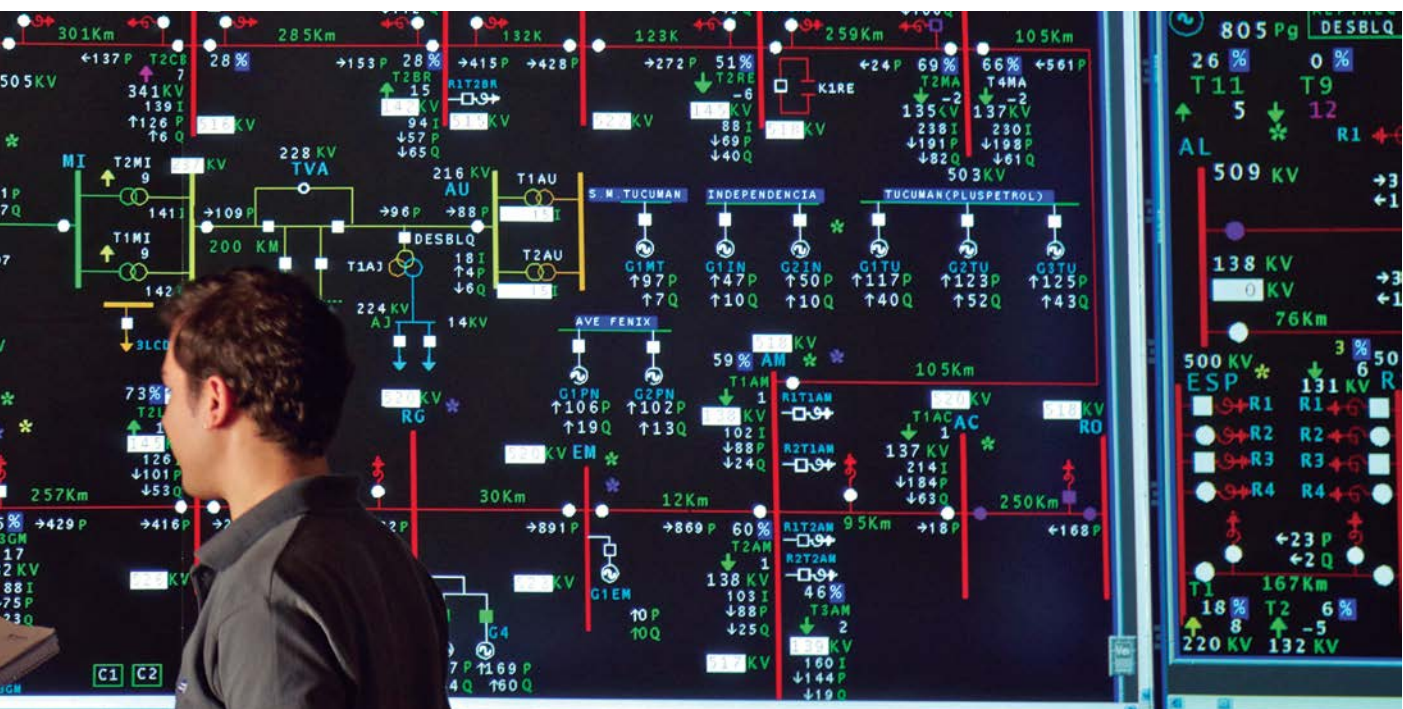
International Transmission Companies) are services that Transener S.A. has been rendering ever since its inception.

In addition, the work that Transener S.A. performs includes bushing replacements, oil analyses, diagnoses assays, repairs of optic fiber, FO fusions in repeating splicing boxes, cleaning of insulating devices, measurements of electrical and magnetic fields, implementation of automation mechanisms, maintenance of lines and equipment in transforming substations, to name but a few.

As regards all of its service agreements, the actual values of Transener S.A.'s remuneration were maintained and most of these contracts have been uninterruptedly renewed since their inception, which attests to the quality of the services and the degree of customer satisfaction.

Communications

During 2021, Transener S.A. continued to provide infrastructure services to a number of communications companies. These services comprise both the assignment of dark fiber optics over its own system (the Fourth Line) and leases of space in the micro-wave stations and in their antenna-support structures. The growing demand placed by communications companies has led to a significant increase in these revenues, both in terms of volume and of higher prices. Besides, Transener S.A. continued to provide support services to operational communications and to data transmission to the WEM agents.





Administration and Finance



Finance

In the course of 2021, Transener S.A. and Transba S.A. invested their idle funds in a prudent manner, using several available instruments in the market to maximize the portfolio yield and hedge their obligations in foreign currency through an optimal currency mix. In this regard, both companies have maintained a certain level of investments in foreign currency, curbing the negative impact of the Argentine peso depreciation, particularly, on their respective financial debt obligations.

On August 17, 2021 and according to previous plans, Transener S.A. honored its commitments under Series 2 Negotiable Obligations at 9.75% for an outstanding amount as of that date of US\$ 86 million plus the relevant accrued interest.

As of December 31, 2021, the consolidated financial debt amounted to \$ 861.1 million solely for the balance of a loan maintained with Banco de la Nación Argentina, conferred for \$ 1 billion in July 2021.

This loan has been conferred for a three-year term, at a BADLAR+8% rate. Principal is to be amortized in monthly and consecutive installments by application of the German system and payable as from August 2021 and for application as working capital. It must be highlighted in this respect that according to the Bank's previous request, the Company's Board of Directors has agreed not to submit proposals to the Shareholders' meeting concerning the reversal of Company reserves for distribution to shareholders as dividends for the effective term of the loan. Also, in the event of losses impacting reserves, the Board has agreed not to propose the distribution of earnings up and until they have been reinstated to the current levels for as long as the loan remains unpaid.

In addition, on August 12, 2021, Transener S.A. was granted a loan for \$ 441.5 million by its subsidiary Transba S.A. to fall due on August 12, 2022. This loan accrues a BADLAR+3.5% rate.

When it comes to the risk rating conferred to Transener S.A. and as a consequence of the cancellation of Series 2 Negotiable Obligations in August 2021, S&P Global Ratings upgraded Transener S.A.'s global rating to "CCC+" from "CCC-", with negative trend whilst for the reason already discussed and in view of the fact that there were no instruments apt to be rated, the rating at the national scale was rendered ineffectual. It is important to note that following a decision made by the Company and subsequent to the above-mentioned actions, the risk rating performed by S&P Global Ratings was discontinued both at the global level and at the national scale.

Besides, starting in June 2021 Fix Scr S.A., a Risk Rating Agent started to rate the Company, which retained the long-term issuer rating "A+(arg)", with stable prospects

Administration

In a year in which the restrictions generated by the COVID-19 pandemic continued, the Company has fulfilled in due time and form all reporting requirements regulated or requested by regulatory authorities, CAMMESA, CNV, and Bolsas y Mercados Argentinos S.A., among others.

This area continued adjusting the processes, procedures and controls to maintain a high level of internal control, information production and service to suppliers and to external and internal customers on a remote basis.

In 2021, in regard of tax obligations, they have been complied in due time and proper form in the remote modality. Administration has continued to deal with an unusual number of municipal claims requiring compliance with alleged control measure obligations and payment of duties. According to regulatory provisions, the Company's activities are subject to stringent technical controls imposed by ENRE. Therefore, the municipal measures seeking to implement the same controls often interfere with activities and are only intended to collect duties. Due to the fact that such controls and services sought to be implemented by municipalities are never addressed on an individual basis, and are contrary to the rules governing the Company's activities, the claims for payment of duties are illegitimate and, therefore, are not contemplated in the remuneration scheme. All these claims are jointly addressed by the Legal area and by our legal advisors, seeking ENRE's intervention. In most of these cases, the Company has sought injunctive relief and brought actions for declaratory judgment with federal courts. Even though in some cases the municipalities succeeded in levying attachment in respect of the amounts claimed, in general terms, the defense strategy has yielded outcomes favorable to the Company's position.

Information Technology

To continue with the strategic transformation to maintain Transener S.A. in a leadership role when it comes to knowledge, appropriation and use in the exercise of technical and administrative functions by fostering creativity and innovation plus an avant-garde management of the emerging technologies applied to process optimization.

The main functions were based on planning and leading the acquisition, upgrading, implementation and operation of Information Technology services, products and infrastructure to address needs and requirements with adequate technological solutions that should be both timely and cutting edge, ensuring quality and optimizing the cost-benefit ratio in the investments made with a view to the attainment of institutional objectives.

This leads us to continue deploying the strategy proposed in the year 2013 in order to cut costs without disregarding the Company's needs and aligning the business objectives, supplying better service management and internal customer support to complement purely technical or technological skills.

Regardless of the innovation, digital transformation and optimization of processes, the Company also undertook operation and maintenance activities for the required infrastructure of servers and communications to develop and manage over 50 information technology systems within a framework of Cybersecurity and geographical service coverage that is growing constantly and gradually throughout the Argentine territory. In addition, it provided support and service to approximately 1,000 users in the various transforming substations throughout the country.

Information Technology and Networks

Mobility

By definition, every application to be implemented must be apt to be used from any device. Mobility is key.

The wireless service continued to be enhanced at stations, incorporating new Internet access links, supporting the business needs, and understanding that connectivity is an essential element to deliver a safe and quality service.

In addition, we have renewed our 585 cell phones via a technological upgrade of more than 180 terminals maintaining the centralized control and management of the devices and continuing, strategically, with the Samsung brand as our technological standard.

Infrastructure

The implemented strategies and decisions were aimed at strengthening the axes adopted by our area's vision. In the Infrastructure area we are focused on continuing to supply technological tools and services to help us give a qualitative and quantitative leap in terms of growth and development thereby succeeding in attaining the objectives planned. The organizational infrastructure was re-designed and that implied changing the scope towards more technical areas in order to strengthen our internal relationship without disregarding the goal consisting in satisfying the requirements of operation, control and maintenance in our company. In addition, we aimed at continuing to provide the Entity with more flexibility to provide agile answers to the needs of the business through hyper-convergent solutions such as Nutanix.

Infrastructure highlights:

- Technological upgrades in technical servers allocated directly to the business.
- Back-up Veeam infrastructure implementation at headquarters, Rosario and Ezeiza.
- Implementation of Wsus for critical updates in all of the company's servers.
- Review and evaluation of Deep Security exceptions in servers.
- Control of reputation in the case of suspicious IP public addresses.
- Final disposal of legacy SAPPORAL servers – GRH portal.
- Resolution of new Microsoft vulnerabilities (for instance, PrintNightmare).



Micro informatics

In the course of 2021 we have provided support to all of the Company's requirements. Our transforming substations require technology that should be apt for non-controlled environments, thereby minimizing the need for maintenance. In line with this situation we have updated a major portion of our Information Technology resources throughout Argentina using new industrial technology, standardizing and optimizing resources and costs.

We continued to accompany the SAP Mobility project providing remote support from and to anywhere in Argentina and with centralized maintenance of the whole platform of mobile devices.

In order to streamline and improve some technological conditions that hinder the development of daily tasks, we focused on the need for supplying connectivity to employees in substations that have no local services to access the Internet.

Throughout the year, Micro informatics replaced more than 220 pieces of technological equipment, visiting different Company sites.

More than 60 technical devices were updated (Winsoe, RCE and Shield Polls)

Besides, 110 cell phones and tablets were replaced.

Networks/Communications

During 2021, the networking architecture (wireless, switches, firewalls, routers) in transforming substations continued to be standardized and we redefined it together with FORTINET.

We continue optimizing the use of Internet decentralizing from headquarters towards the various sub-stations.

We continue strengthening the features of the monitoring system identifying irregularities (Corporate SLA) more easily from the screens of the Control Center (NOC) with the following tools:

- WhatsUp: it monitors approximately 400 devices analyzing the whole internal traffic that goes through our routers generating metrics in real-time, reports and Dashboard (NetFlow).
- FortiAnalyzer: it analyzes the fire-walls of the transforming substations throughout the country.

The main highlights:

- A passive on-duty scheme has been implemented for incidents outside business hours.
- A change in VPN authentication was implemented adding a second factor.
- Tasks were performed to supply connectivity in the jobs of the Rodríguez Transforming Substations.
- The firewalls, switches and/or routers were subject to technological replacements in the following substations:
 - Colonia Valentina transforming substation.
 - Rodríguez transforming substation.
 - Rosario transforming substation.
 - Almafuerde transforming substation.
- Bandwidth in the Ezeiza - Mercedes was enhanced by 50%, from 4 to 6 Mbps.

Outsourcing / Datacenter

During the year we succeeded in satisfying the availability commitment of critical services for the normal business operation with the objective being an excess of 95%

The annual services and compliance levels were as follows:

SLA REAL INDICATORS													
INDICATORS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	ANNUAL
DC Telecom	99.54%	99.54%	99.49%	99.49%	99.49%	99.49%	99.49%	99.49%	99.49%	99.49%	99.49%	99.95%	99.54%
Google Apps	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Internet	100.00%	100.00%	99.96%	99.90%	99.97%	99.99%	99.26%	99.96%	99.89%	99.96%	99.98%	100.00%	99.91%
SAP	100.00%	100.00%	99.94%	95.00%	100.00%	100.00%	100.00%	99.98%	100.00%	100.00%	100.00%	100.00%	99.58%
TOTAL	99.89%	99.89%	99.85%	98.60%	99.87%	99.87%	99.69%	99.86%	99.85%	99.86%	99.87%	99.99%	99.75%





Cybersecurity

During 2021, the Company continued to reinforce work, jointly with technical areas and managed, also, to generate an increasingly stronger safety vision present in each process/administrative process/task or technique.

Thanks to the technological solutions implemented together with the work performed with operational/technical areas, we provided a response to the business' intrinsic requirements.

Business Applications

In 2021, the Company's applications area focused on executing projects in line with the business objectives taking into account the premises of cooperation and mobility and using technological tools to increase the Company's productivity.

Besides, the implementations focused on digital transformation, with such strategy being underpinned by the use of Cloud tools that are integrated into the solutions already installed, such as SAP ECC 7.0.

Within this framework, the following were implemented:

- Sicore v9 implementation
- Digital Payroll Book implementation
- Implementation of the General Resolution 5008/2021 – Income Tax
- SAP Concur.

- SAP Operations – Penalties Module, calculation and automatic accounting from Service New Developments.
- SAP Operations – Improvements in the Permit Modules.
- Suppliers Registry: Unified catalog of suppliers by service/asset and location.
- Evaluations of Human Resources Version 2: Updates of the evaluation system for new hires.
- Portal for uploading invoices sent by foreign suppliers.
- Digitalization of the process to impose sanctions on personnel.
- Implementation of Invgate Insight to manage IT assets.

Data Management and Processes

In the course of 2021 the Company continued to develop the strategy to strengthen data management, developing analytical tools and practices to gather relevant information to optimize the decision-making process, working jointly with the applications and the business areas to improve data quality.

- Implementation of cutting-edge Business Intelligence software to develop the following management scorecards:
 - ENRE Investment Reports.
 - Indicators of the office of the Technical Director.
 - Phase II Cascade.
 - Work Licenses.
 - Penalties.
 - Thermographies.



The Data Management and Processes area started with the function of Process Transformation during 2021, a key role in the construction of the digital vision. In this respect, we have developed the BPM methodology with the objective of identifying process owners, as is/to be mapping and identifying the improvement initiatives in order to attain agile processes. Complementing with technological tools installation such as Robotics Process automation (RPA).

- Survey and Mapping of the following business processes:
 - Contractor Document control.
 - Selection and Waste Disposal.
 - ABM Users.
 - Personnel penalties.
 - Vehicle Management.
 - Corrective and Preventative actions in Public Safety.

Projects underway

The following modules are being developed and designed for implementation in the year 2022:

SAP:

- Event system migration.
- Meridian – Requests for access and enhancement.
- Inventory system for voltage work.
- Completion of PT15 permit system.
- Links between SCADA details and the SAP PM system.
- Creation of automatic defaults (Predictive system to SAP PM).
- Drone management.
- Fixed-wing drones.
- Insight.
- Completion of Netcontent + Via for the electronic signature of documents.

Dashboards in BI tools:

- Seasonal programming.
- Performance assessment.
- Disturbances.
- Foreign trade.
- Fleet management.
- DCO Selection and waste disposal.

Mapping and improvement of the following business processes:

- Emergencies.
- Phase II Vehicle Management.
- Phase II Selection and waste disposal.
- ABM Equipment.
- Accounts payable.

Help Desk

During 2021, 9,968 Tickets generated by 1,148 employees were managed (Total employees: 1,487).

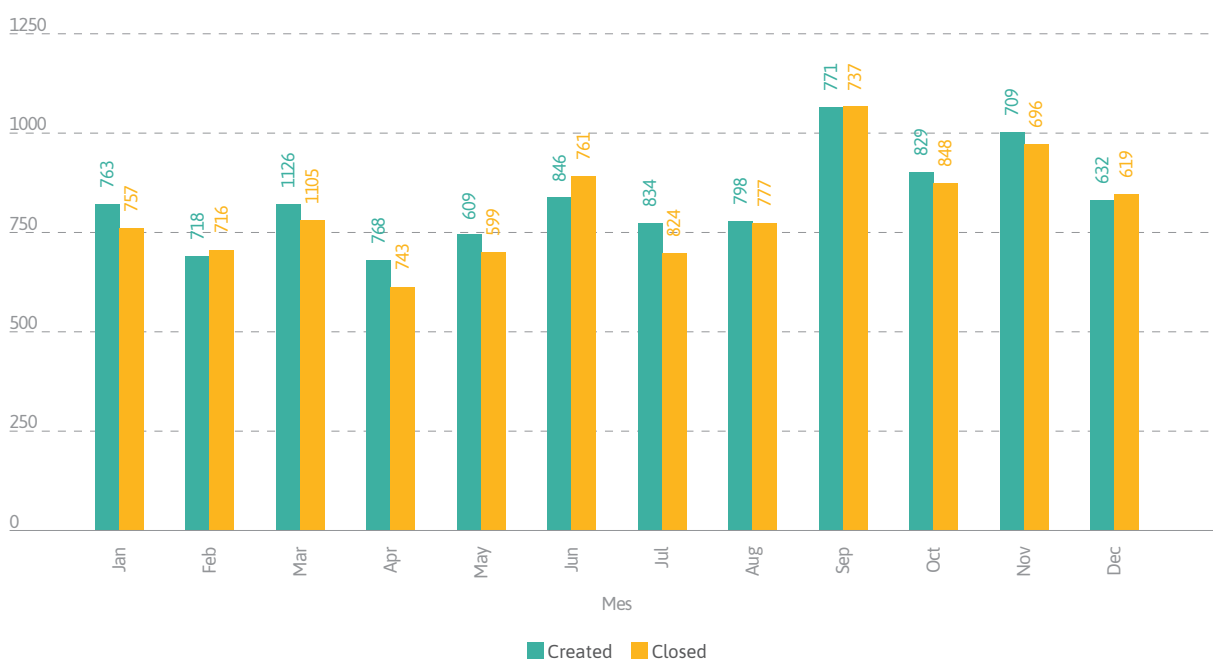
Below is a detail of the status of Tickets issued during the year 2021:

- Tickets Created: 9,968
- Tickets Closed: 9,710.
- Tickets Backlog: 258.

Of those, 97.4% of Tickets were resolved.

Monthly Evolution 2021

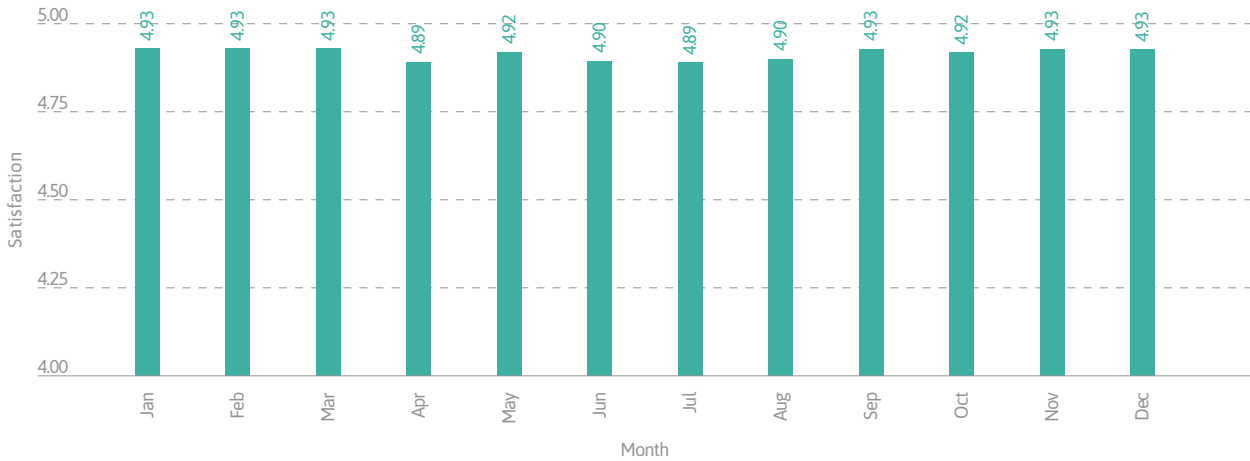
The chart shows management of monthly Tickets demand (Requested / Resolved), with 97.3% Monthly Resolution on average.



Customer Satisfaction

In compliance with the definition agreed upon with Management with a focus on customer satisfaction, the following chart shows the Monthly Index taking as Values 1 as a Minimum and 5 as a Maximum.

The annual average for such year remained at a value of 4.92.



Supplies and Procurement

During 2021 the Supplies and Procurement Department managed to deactivate all of the conflicts related to contracts affected by the suspension of civil works impacted by the pandemic.

When it comes to Foreign Trade transactions, restrictions associated to the payments of imports seriously hindered equipment and materials purchase management.

Besides, the new Registry of Suppliers was finally completed on the basis of the SAP platform, which shall result in a better follow-up of suppliers' performance and higher quantity of valid offers in the bids.

Budget planning and Control

During 2021, the information requested by ENRE was prepared to complete the Financial Forecasts 2021-2022 (PEF 2021-2022) and seeks to attain an Agreement with the Entity which allows to obtain the resources for the development of Operations and Maintenance and payment of financial debt, which leads to the development of the Company's Operations and Maintenance and financial debts.

Different scenarios of revenues, CAPEX, Costs, Taxes and payment of the Debt and different alternatives to attain a Transition Agreement were submitted to the ENRE.

The Company's 2022 Budget, which was approved by the Board of Directors on December 15, 2021.

In addition, Management Systems improved and the Company's internal indicators were prepared to be able to undertake a monthly measurement of the business. Different forecast scenarios were prepared for the analysis and feasibility of payment of the financial debt in August 2021.



Human Resources



Labor Relationships

Continuing with the work axis in this fiscal year, the labor relationships were marked by the organization of the return to normal after the massive lockdown process decreed by reason of the COVID-19 pandemic. A reorganization was carried out of the area seeking improved and more efficient attention to the operational areas. In terms of payroll, a collective bargaining agreement was formalized in line with the inflation rates that have been posted lately. In this respect, agreements were reached with all the unions. To provide better attention and support to the technical areas, work was done in the reorganization of Human Resources as from the new office of the HRBP head. Labor prospects for 2022 will be, in our understanding, marked the collective bargaining agreement round to be started next February or March, which happens to be the month when almost all the collective bargaining agreements signed by the Companies in the industry during the current fiscal year expire.

Human Capital

Selection:

The following is a detail of new hires:

- 30 employees to replace personnel who left the Company.
- 18 workers for new positions and facilities.
- 2 internships.

Career Development

We are working on a new proposal of the Career Development Program for the Company to hire during the coming period

which must take into account the specific needs of the areas and should promote the development of organizational talents in technical and management careers.

Position description analyses were performed, follow-up of appointments to new functions and management of coaching processes for specific functions.

Training

During 2021, we continued to reinforce personnel training. It posed a significant challenge due to the pandemic that was still ongoing in the country.

The Company continued to work on the on-line/in-person training schedules (when the epidemiological situation so permitted, training sessions were held in person) to attain the goals established at the beginning of the year.

This way, at the end of the period we attained 76% of compliance with the Company's Training Plan.

We continued to add courses to the Company's e-learning platform for employees to strengthen their technical knowledge. As of the date of this report, 11 courses are delivered online: Electrical Market, Lock-out/Tag-out, Manual for New Hires, Manual for Linesmen, Manual for Transforming Substations, Handheld Grounding Acquisition Management, and Public Safety and Quality Assurance, SAP Mobility, Protections Systems, Basic level for Transforming Substation Technicians and Chemical lab.

Corporate Onboarding sessions were carried out under this new format, covering 100% of the new hires.



Knowledge Management Program

We continued to work in Knowledge Management as one of the main Work Axes. During the period herein considered, a company-wide Training Matrix was developed for each position. It allows us to identify the essential trainings for each sector in accordance with the positions occupied by each worker. An analysis was performed of the actual duties and the expected duties to be able to plan compliance in the medium term. It shall come into force starting in 2022.

The topics discussed included (i) technical issues, such as: Predictive Systems - Transformer Aging - Protections for Non-specialists for COT, Transforming Substation Technicians, Voltage Work, Middle Management, SAP PM Application - Thermography at High Voltage Line - Handheld Grounding Acquisition, Control and Management - Lock-out/Tag-out; SSMA (ii), administrative: Google Tools - SAP: Receipts, Authorizations and Penalties Process, Store-rooms, Projects, SAP Concur, Order and Direct Order Requests - Budget entry into BPC - Public speaking as well as management of forklift permits, hydraulic cranes, cranes, telescopic handling plus the relevant follow-up to the team of supervisors.

Besides, we continued to offer training sessions to make sure that Transforming Substation technicians should have the adequate knowledge of their functions, equipment at the facilities, failure detection, blueprint reading and updating. These sessions were taught by internal and external trainers. External trainers are experienced in our Company on account of their having been a part of the headcount. We used the virtual meeting methodology and we spanned, together with the work that we had carried out the previous period, 100% of the transforming substations.

We generated 5 agreements with universities from all over the country in order to conduct apprenticeships and internship procedures.

A new application was implemented that allows us to digitally administer the technical examinations generating questions on a random basis. Such incorporation is used for admission examinations and for the company's existing employees.

We continued with the Case Method activity addressed to Heads of areas, supervisors and professionals in the Transforming Substation and Protection areas. In this activity, an incident taking place in the Company is presented and solutions are jointly proposed to prevent incident repetition.

Institutional Communications

This year, we continued to work on this issue that is key for the organization in accordance with the context where

it operates on the basis of huge geographic coverage and governmental orders. It is for these reasons that work continued and the use of the SAP JAM Internal Social Network and the WhatsApp groups for the whole technical personnel provided with corporate cell phones were encouraged: there, we periodically updated all the information concerning the pandemic and were able to generate interaction with all users.

The existing Internal Communication Channels were maintained, the "Inside Energy" magazine in a virtual format, Digital Billboards, SAP JAM (internal social network), Corporate Intranet, LinkedIn and Twitter.

The Company continues to work on several Communication Campaigns through all channels to report, raise awareness and manage personnel changes. The topics addressed included:

- Let's be safe campaign.
- MEGA campaign.
- COVID-19 campaign.
- Public Safety Campaign.
- Occupational Health campaign - COVID-19 blog.
- Campaign to re-launch the new Enterprise Social Responsibility policy.
- Corporate Work Axes campaign.

Enterprise Social Responsibility

Since the year 2004, Transener S.A./Transba S.A. has adhered to the UN Global Pact whereby it agreed to abide by its 10 Principles in the field of Human Rights, Labor Standards, Care for the Environment and the Combat of Corruption.

Reinforcing this commitment with the Company and our workers as a form of ethical and transparent management we re-launched the Enterprise Social Responsibility Policy and together with such policy, we launched four Working Programs based on the UN's Sustainable Development Goals:

- Program of Child Malnutrition on the basis of the SDG N° 2 "Zero Hunger".
- Program of Academic Equality, based on the SDG N° 4 "Quality Education".
- Program of Sustainable Suppliers Development based on the SDG N° 12 "Responsible Production and Consumption".
- ESR events Program, based on the SDG N° 17 "Alliances for Goal Attainment".

For all these programs, we rely on the cooperation of 67 volunteers who are company employees and third parties: by working for more than one program, we have a total of 125 liaison individuals.

In addition, we are working on the implementation of a Diversity, Equality and Inclusion Scheme by hiring the first person with a development delay on the understanding that Diversity, Equality and Inclusion is a critical element and a transformation agent both in the workplace and in our company.

Assets Safety

Since 2021, the Company undertook a comprehensive review of this area and defined a new asset safety policy with a modern vision that should focus on the Company's critical assets.

In addition, an Assets Safety Program was implemented and actions such as the ones described below were undertaken:

- a) Assets inspections following the ANSI/API 780 standards, issuing the recommendations to mitigate risks.
- b) Investigations concerning the thefts sustained.
- c) Contacts with ministerial/municipal authorities to work jointly in the development of activities for the prevention of crimes in the proximity of transforming substations.
- d) Creation of databases concerning Incident Records.

To complement all the above, a Strategic Assets Safety Plan was developed to define the risks arising in the current transforming substations and the new specifications for future or new transforming substations to standardize safety criteria.

In the framework of the training sessions for the Regional Departments, in the Southern Regional Department the sessions were carried out through presentations and illustrating with concrete examples, with pictures and videos, conveying aspects that should be taken into account when it comes to compliance with technical specifications by security and safety services providers, and the comprehensive utilization of Video-surveillance Systems as well as general considerations of physical security.

Human Resources: Personnel Administrative Tasks

As a continuation of the guidelines established in the year 2019 and for the purpose of streamlining, systematizing, organizing and dynamizing the area's processes simply, reliably and safely, reducing paper consumption, in 2021 projects were developed aimed at the digitalization of information as would be the case of:

- Employee files maintained on a Cloud platform.
- Final stages of the process to digitalize documentation for newly-hired employees (Onboarding).
- Personnel administrative procedures associated to governmental

- agencies (Certification of years of services, verifications, etc.).
- Digital pay slip.
- Digitalization of union dues, attachments, alimony to name but a few.
- Digital payroll book - AFIP.

In the course of this year and at ENRE's request, labor projections were performed in order to comply with the cash flows required for the transition period (Tariff recognition for the 2021-2022 periods).

Joint work was performed with SAP as a pilot company for the solution of the changes determined by the Government concerning the Income Tax levied on employees (so-called "fourth category income").

Integrated Risk Management

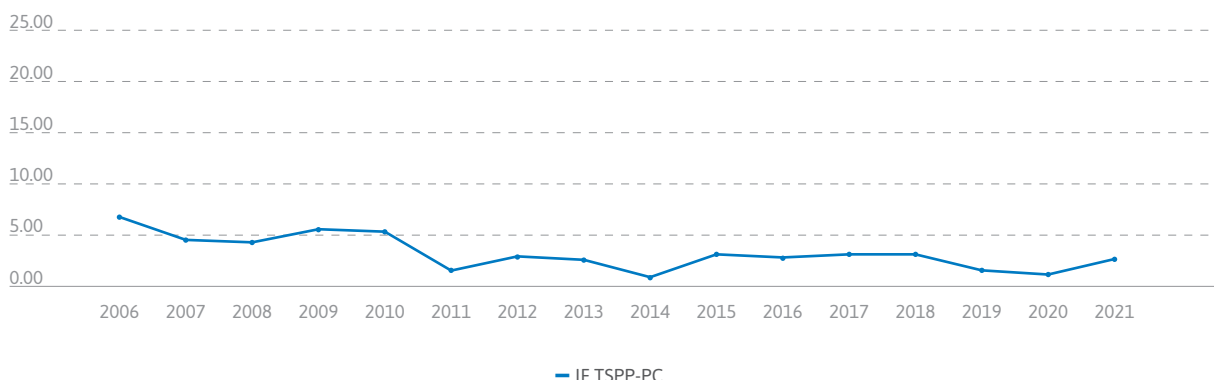
Health, Safety and Security in the Workplace and the Environment (SHTMA)

Since the start of the year and in line with the axes established by the General Manager, the Company launched an ambitious Project called "Let's be Safe 2024".

The basis of this Project has been the need to strengthen the cultural change needed to anchor Safety and Hygiene in the workplace as a Value. To that end, it formed an Integrative Cabinet where all the Company areas work together with external advisors that help to favor a comprehensive outlook of safety and health in the workplace.

This cabinet proposed a working plan through Ambassador Groups made up by workers from all of the Company areas that volunteered to take part in the plan and held meetings systematically for each speciality where they issued diagnoses and proposals of improvements that were implemented and generated open communication with a view to permanent improvement in Safety and Hygiene in the Workplace. The most significant result is that they formed a group that multiplied safety and hygiene in the workplace, which endeavored to develop, starting in 2022 an outlook at the behavioural grassroots that should take us to that change in culture already expressed as if crossing a bridge that connects three necessary conditions: Knowledge, Desire and Ability.

Transener's Frequency Index



In addition, 188 "Peer Observations" were carried out in the field as well as an update in the Workplace Risk Roadmap by activity, by task and by job, and also in the Risks Matrix. Twenty Safe Work Methods were reviewed in coordination with the Regional Departments for application.

One hundred percent of scheduled training sessions were carried out spanning 397 workers who took part in the different activities.

Work was carried out with the office of the Technical Department in launching Safety Alerts in order to communicate and raise awareness at all Company levels in connection with the occurrence of relevant accidents/incidents in the Regional Departments. It was from the Regional Departments that observations/inspections were conducted at an annual 85% (Proactive Index).

Occupational safety

In the face of the health situation that we are going through, we worked in interdisciplinary conditions to define Action Protocols and preventative Recommendations, assessment of risk personnel, supply of personal hygiene materials and Personal Protection Equipment, execution of training and company-wide communication, follow-up and support of absenteeism in cases of COVID-19.

Together with the Systems Department, a software was designed to record medical examinations in Success Factors. Thanks to this, all workers may avail themselves of their medical examination in their Success Profile.

Environment

In the course of 2021 special emphasis was placed on the initiatives looking to foster increased environmental responsibility of all employees and at the same time reinforce the commitment of a sustainable management within the Company always in compliance with currently applicable environmental regulations.

In order to facilitate viewing and improve environmental deviation management in the regions, a dashboard was developed and implemented in DataStudio which allows deviations to be identified by company and establishment and filter according to their current status (pending/finalized). In addition, the tool delivers dynamic graphics about the current situation and the cumulative 2019 as of the date hereof.

In order to foster a preventative approach and strengthen personnel environmental concepts, town hall meetings were re-enforced at the level of sub-station operational personnel. These town-hall meetings include a review of basic concepts, the Company's environmental procedures and in-depth information concerning the importance of reporting environmental incidents. With these tasks, in 2021 this area reached sub-station technicians at 25 establishments.

Quality Assurance

During the year, the most relevant aspects of the Integrated Quality Management (ISO 9001), Environment (ISO 14001), Occupational Health and Safety Standard, Emergency Plan (ENRE 22/2010) Technical Procedure N° 15 (SE 208/1998), Public Safety System (*) (ENRE 57/2023 and 620/2017) and Risk Management (*) were the following:

- Maintenance of the Quality Management System (ISO 9001:2015) certification.
- Maintenance of the Environmental Management System (ISO 14001:2015) certification.
- Validation of the Contingency Plan for 2021 (Resolution by the ENRE 22/2010).

These achievements were attained when the External Audits that were conducted in August and September were successfully approved:

- Twenty-three (23) Internal Audits were conducted with the participation of Quality Assurance, 19 of which were scheduled audits and 4 of which were non-scheduled audits. Three (3) internal audits were cancelled in 2021 due to the pandemic and due to related maintenances.
- To comply with CAMMESA's Technical Procedure N° 15 to grant permits to operations personnel, 146 persons received their permits and the renewal of their permits for operation of the High-voltage Power Transmission System in Argentina. To such end, the area verified all documents related to each operator and handled and successfully completed the required external audits.
- Like every year, a report for management's review was prepared, including all Integrated Management System information.
- The area also monitored the operation and the implementation of controls on the due dates of the permits to operations personnel, reporting findings to the Operations Control Center and Regional Management units.
- Based on the specific needs of each area, Quality Assurance revised and issued 34 documents of the Integrated Management System. The area also worked on additional 4 documents which are under different completion status (pending signature and under review).
- During July and September, the area conducted external customer satisfaction surveys to measure the transmission system operation and maintenance service and the service provided by the Engineering Management Department. The results were published on the Company's intranet in December.
- To comply with Resolutions ENRE N° 555/2001 and N° 178/2007, Quality Assurance took part in the preparation of the Reports of Degree of Progress in the Environmental Plan that were filed with ENRE in due time and manner (in January, the report corresponding to the second half of 2020 and in July, the report corresponding to the first half of 2021).
- Quality Assurance continued maintaining the application "Corrective and Preventative Actions," with enhancements in several processes, including registration, de-registration and

(*) The most relevant topics in the Public Safety System and Risk Management System are reported when it comes to "Public Safety" and "Risk and Technical Audit Management".



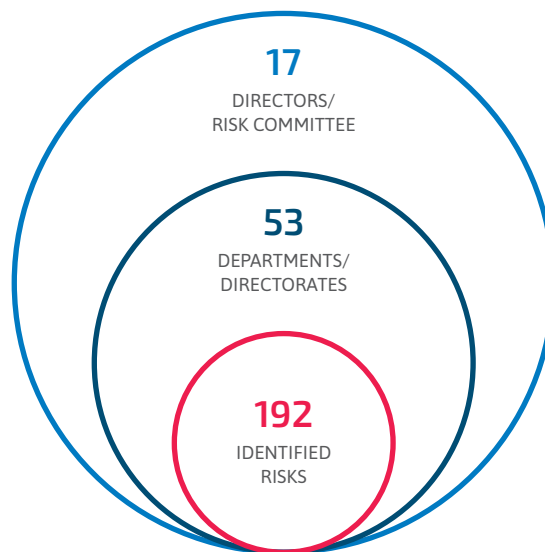
modification of users and their profiles, thanks to a better link to the information from the Information Technology Department. In addition, the application was subject to improvements to streamline use.

- The area reviewed and published the half-year reviews of the Matrix of Environmental Legal Requirements.
- Quality Assurance organized 7 training courses on matters associated to the Company's Integrated Management System, including training directly administered by Quality Assurance and training administered by Human Resources, such as onboarding for new hires, training for young professionals, and on permits for operators.
- The Company worked on the pilot project for the application of a digital document manager, for documents of the Integrated Management System issued by Quality Assurance.
- A new web site was created for the entire Regulatory Engineering Department on the SAP JAM platform, disabling GGIR's previous website at Google platform.
- The Company reinforced the follow-up on non-conformances arising from internal and external audits in order to streamline pending tasks that delay the closing of actions and to support the log of actions maintained by each area involved.
- The Company continued to monitor the measurement of hydrocarbons in water that are part of the Environmental Planning, getting in touch with the pertinent parties when there are delays against the annual plan.
- The management indicators published in Quality Assurance's Intranet page (Data Studio interactive platform).
- In connection with the MEGA project, the "Asset Management 31000 ISO Standard" has been subject to a review and a first training was organized for the members of Quality Assurance and a part of EPI N° 1 members in the MEGA project.
- Specific Management Reports were developed for each one of the Regional Departments and these will be periodically updated to contribute to region management.



Risk Management and Technical Audits

During fiscal year 2021 and as an initiative led by the new Steering Committee, work was performed in the area of the Risk Committee to re-design the Risk Management System. As a result of such re-design, whose vision is to "Integrate the Risk Matrix into Management", the existing risk portfolio was consolidated to reduce the quantity monitored by the Committee without missing any details as management will continue at the level of the Company's middle management level.



Work was carried out on the concepts of "Intrinsic Severity" and "Control Gap" seeking to measure the Company's evolution in risk management.



		Consequence				
Example 1		1	2	3	4	5
Likelihood	5					
	4					
	3					
	2					
	1					

$$\text{Gap: } (2 \times 4) - (4 \times 4) = .8$$

		Consequence				
Example 2		1	2	3	4	5
Likelihood	5					
	4					
	3					
	2					
	1					

$$\text{Gap: } (2 \times 3) - (3 \times 4) = .6$$

The Audit Committee was presented with the essential guidelines and the dynamics of the Risk Management System in "training workshop" format considering the renewal of its members.





Compensation of the Board of Directors and Main Executives

In accordance with Section 29 of the Company's By-laws, the compensation of the members of the Board of Directors is established by the Shareholders' Meeting, complying in turn with the provisions under section 261 of the Argentine Companies Law N° 19,550.

As regards executive staff, compensation consists in a monthly salary and a variable annual payment. The monthly salary is established on the basis of the characteristics and duties inherent in the position as well as the qualifications, competencies and experience of each executive. The annual variable payment comprises a bonus subject to objectives related to the Company's and its various departments' operational and financial performance and the attainment of individual targets. The Company does not have in place any stock option scheme.

Dividend Policy

The Argentine Companies Law requires that no less than 5% of the realized and liquid profits disclosed in the statement of income for the year should be maintained as a statutory reserve up to 20% of the Company's capital stock. The declaration and payment of dividends on the Company's common shares are determined through the vote of a majority of shareholders who are in possession of said shares and who vote as a single class.

In accordance with the terms of the loan agreement entered into with Banco de la Nación Argentina, the Company's Board of Directors has agreed not to submit proposals to the Shareholders' meeting for the term during which the loan was pending settlement, concerning the reversal of Company reserves for distribution as dividends to the shareholders. Along the same lines, in case of losses affecting reserves, the agreement is not to propose during the term outstanding, distribution of earnings up to the moment reserves have been reinstated at the current levels.

Internal Control

Transener S.A. has in place administrative systems and procedures that have been designed by adhering to the basic principles of internal control.

Additionally, the Company has retained a leading audit and consulting firm to assess its internal controls and to contribute to the minimization of the adverse effect of operational risks.

Audit Committee

In line with what is prescribed by article 109 of the Capital Markets Law, the Company has an Audit Committee, which is composed of three regular members, most of whom are independent according to the independence criteria stipulated by the rules of the CNV. The members of the Audit Committee have professional experience in financial, accounting, legal and/or business matters.

Every year, subsequent to the Company's Ordinary Shareholders' Meeting, the Company's Board of Directors appoints the directors who shall make up the Audit Committee. On February 23, 2021, the Committee approved its Action Plan for the year 2021 and on March 9, 2022 it issued its annual report giving an account of the treatment afforded to the issues for which it is responsible.

Supervisory Committee

The Company's internal oversight duties have been entrusted to a Supervisory Committee made up by three regular Statutory Auditors and three alternate Statutory Auditors appointed by the General Ordinary Shareholders' Meeting for the term of one fiscal year in office, subject to indefinite re-election in accordance with the Company's By-law.

Results of Operations

The Company's consolidated net loss attributable to the owner of the Company owners amounted to AR\$ 1,308.0 million corresponding to the fiscal year ended December 31, 2021.

Consolidated Net revenues for fiscal year ended on December 31, 2021 totaled AR\$ 17,334.4 million, or a 29.5% decrease relative to the AR\$ 24,587 million in fiscal year 2020.

Consolidated net regulated revenues for fiscal year ended on December 31, 2021 totaled AR\$ 15,110 million, or a 30.2% decrease relative to the AR\$ 21,656.6 million in fiscal year 2020, primarily due to the absence of the semiannual tariff adjustments envisaged for application as from February 2020, which stands for a decrease in them, measured in constant currency.

Consolidated net non-regulated revenues for fiscal year ended on December 31, 2021 totaled AR\$ 2,224.4 million, that is, 24.1% lower than the AR\$ 2,930.3 million recorded in fiscal year 2020, primarily due to the absence of the semiannual tariff adjustments envisaged as from February 2020 for the Fourth Line, Choele-Madryn and TIBA which entails a decrease in them, measured in constant currency.



Consolidated operating costs for fiscal year ended on December 31st, 2021 amounted to AR\$ 14,789.3 million, 5.2% higher than the AR\$ 14,057.2 million recorded in the previous year, primarily as a result of an increase of AR\$ 229.2 million in general maintenance and electricity pipelines, AR\$ 177.4 million in payroll costs, and AR\$ 83.7 million in the allowance for doubtful accounts, and AR\$ 174.6 million in depreciation of PPE.

Consolidated other operating revenues and expenses, net for fiscal year ended December 31, 2021 amounted to a profit of AR\$ 147.7 million, compared to a loss of AR\$ 222.6 million in the previous fiscal year, primarily due to a decline in service quality premiums and in the profits from the sale of Property, plant and equipment and a decrease in penalties.

Consolidated operating profit for fiscal year ended on December 31, 2021 amounted to AR\$ 2,692.8 million, 73.9% lower than the AR\$ 10,307.1 million recorded in fiscal year 2020, primarily due to the absence of the semiannual tariff adjustments envisaged for application starting February 2020.

Consolidated financial results for fiscal year ended on December 31, 2021 amounted to a loss of AR\$ 900.7 million, 32.5% smaller than the AR\$ 1,334.1 million loss recorded

in fiscal year 2020, primarily due to a (i) smaller loss, of AR\$ 2,696.6 million in interest and in foreign exchange differences generated by loans originated in the total settlement of Class 2 Negotiable Obligations in August 2, 2021 and (ii) a smaller profit for AR\$ 1,233.5 million in interest and foreign exchange differences arising from financial placements in so far as such negotiable obligations were cancelled with their own resources. In addition, there is (i) a smaller profit of AR\$ 201.2 million in commercial interest from regulated activities, (ii) a larger loss of AR\$ 162.3 in other financial expenses and (iii) a larger loss of AR\$ 533.6 million in the Income/ (loss) from exposure to changes in the purchasing power of currency (RECPAM), above all due to the increase in the net lending monetary activity.

Consolidated income tax expense for fiscal year ended on December 31, 2021 amounted to a loss of AR\$ 3,100.1 million, 15.3% higher than the AR\$ 2,688.6 million recorded in fiscal year 2020, due to a (i) higher loss of AR\$ 2,055.3 million in deferred tax primarily stemming from the inflation adjustment and the change in the Income tax rate established by Law N° 27,630, net of a (ii) a smaller loss of AR\$ 1,643.8 million in current tax, primarily due to the decrease in taxable income.

Comparative Ratios:

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Solvency (a)	315%	170%	243%	150%
Indebtedness (b)	32%	59%	41%	67%
Current liquidity (c)	111%	85%	125%	108%
Equity multiplier (d)	76%	63%	71%	60%
Fixed asset to equity capital (e)	89%	76%	85%	69%
Return on equity (f)	2%	20%	4%	22%
Financial leverage (g)	3.3 x	6.4 x	6.2 x	10.5 x
Asset turnover (h)	0.2 x	0.3 x	0.3 x	0.4 x

(a) Solvency: Shareholders' Equity / Total Liabilities

(b) Indebtedness: Total Liabilities / Shareholders' Equity

(c) Liquidity: Current Assets / Current Liabilities

(d) Equity multiplier: Shareholders' Equity / Total Assets

(e) Fixed Asset to Equity Capital: Non-Current Assets / Total Asset

(f) Return on Equity: Net income excluding Income tax / Shareholders' Equity excluding comprehensive income for the year

(g) Financial leverage: EBITDA (1) / Interest expense generated by liabilities

(h) Asset turnover: Revenues / Total Assets.

(1) EBITDA is calculated as operating income before depreciation.

Comparative balance sheet information (in thousands of pesos):

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Current assets	5,795,618	15,714,112	8,169,311	21,507,312
Non-current assets	46,703,295	49,851,662	48,070,139	47,293,906
Total assets	52,498,913	65,565,774	56,239,450	68,801,218
Current liabilities	5,243,425	18,439,594	6,516,855	19,900,915
Non-current liabilities	7,405,510	5,881,880	9,872,617	7,656,003
Total liabilities	12,648,935	24,321,474	16,389,472	27,556,918
Shareholder's equity	39,849,978	41,244,300	39,849,978	41,244,300
Total	52,498,913	65,565,774	56,239,450	68,801,218

Comparative Statement of Operations information (in thousands of Pesos):

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Continuing operations				
Operating income	1,316,558	6,338,974	2,692,805	10,307,105
Total financial results, net	(840,941)	(1,579,323)	(900,668)	(1,334,056)
Subtotal	475,617	4,759,651	1,792,137	8,973,049
Share of profit or loss of subsidiaries	149,422	3,348,421	0	0
Profit before tax	625,039	8,108,072	1,792,137	8,973,049
Income tax	(1,933,049)	(1,823,600)	(3,100,147)	(2,688,577)
(Loss) / Profit of the year from continuing operations	(1,308,010)	6,284,472	(1,308,010)	6,284,472
Other comprehensive loss of the year	(86,312)	(12,936)	(86,312)	(12,936)
Total comprehensive (loss) / income of the year	(1,394,322)	6,271,536	(1,394,322)	6,271,536

Comparative Statements of Cash Flows information (in thousands of Pesos):

	INDIVIDUAL		CONSOLIDATED	
	2021	2020	2021	2020
Net cash generated by operating activities	4,012,940	8,516,496	6,300,052	11,415,977
Net cash generated by / (used in) investing activities	5,585,078	(6,145,005)	2,911,385	(8,730,050)
Net cash used in financing activities	(10,695,405)	(917,391)	(10,350,763)	(1,176,827)
Financial results from cash and cash equivalents	(148,164)	(200,903)	(173,924)	(239,473)
Cash flows and cash equivalents at the beginning of the year	1,281,079	27,882	1,360,955	91,328
Cash and cash equivalents at the end of the year	35,528	1,281,079	47,705	1,360,955

Future Outlook

The Company continues to render operation and maintenance services for the Extra High Voltage Trunk Distribution System in the Province of Buenos Aires exhibiting adequate performance in terms of service quality, which easily surpass the quality and efficiency indices required in the concession agreements and remain at levels that point to outstanding performance under both local and international standards, outperforming the network's operational demands.

The Company has also endeavored to carry out the investment plans agreed upon under its respective Comprehensive Tariff Reviews, in line with the revenues resulting from the tariff schedules from time to time determined by ENRE.

However, operating and investment costs have increased substantially due to the sizable devaluation experienced by the local currency during the second half of 2018, and are not duly reflected in the tariff schedules subsequently approved by ENRE. During 2020, the ENRE did not apply the mechanism to adjust Company tariffs on a half-yearly basis in accordance with the provisions in the Comprehensive Tariff Review, with the tariff chart that came into force in August 2019 remaining in force. As a result, notes were sent to the ENRE on July 24, 2020 and August 3, 2020, ENRE was reminded of the need for having the Companies' financial equation adjusted to be able to comply with the investment plan from time to time determined by ENRE and, until such time, the need for having the current investment plan adapted to its actual revenues.

On December 16, 2020, by means of Decree N° 1020/20, the Argentine Government established the beginning of the renegotiation of the Comprehensive Tariff Review, which should be completed within a term of up to 2 years, with interim and definitive agreements by and between the ENRE and the Ministry of Economy "ad referendum" of the Executive Branch's approval being expected. Through such decree, the government also decided to extend for 90 subsequent days the period during which electricity tariffs should be maintained pursuant to Section 5 of the Social Solidarity and Productive Revival Law N° 27,541, or until such time as new interim tariff schedules become effective as a result of the Transition Tariff Arrangement.

On January 19, 2021, by means of Resolution N° 17/21, ENRE initiated the procedure to temporarily adjust electricity transmission tariffs in order to establish a Transition Tariff Arrangement, until such time as a Final Renegotiation Agreement is reached, calling for transmission companies to such end. In this regard, a request for information was received to commence the process, which the Company has complied with, giving priority to the operating costs and capital expenditures required to maintain its service quality.

On March 3, 2021, by means of Resolutions Nos. 54/21 and 55/21, ENRE called for a Public Hearing to be held on March 29, 2021, in order to inform about and receive feedback on the Company's Transition Tariff Arrangement, as part of the Comprehensive

Tariff Review process and before setting new tariffs. On April 14, 2021, a Report on the Public Hearing Closure was published in the Official Gazette. Negotiations with ENRE continued in order to execute a Temporary Re-negotiation Agreement of the Comprehensive Renegotiation Agreement.

On January 26, 2022 Resolution N° 25/2022 was published in the Official Gazette whereby the ENRE called a new public hearing on February 17, 2022 in order to address, amongst other things, the proposal made by transmission companies for the temporary adjustment of tariffs in so far as they had remained unaltered since August 2019.

On February 25, 2022, the ENRE communicated Resolutions N° 68/2022 and 69/2022, whereby it approves the new hourly prices which come into effect on February 1, 2022, establishing a 25% and 23% increase vis-à-vis the prices in force starting in August 2019 for Transener S.A. and Transba S.A., respectively. In view of the difference between the financial forecasts submitted and the prices ultimately approved by the ENRE, the Company filed a petition to review the case file and a preliminary challenge. In addition, an appeal shall be lodged against both resolutions.

Operations are still carried out within the context of the health emergency established by Decree N° 260/2020, by reason of the COVID-19 pandemic.

The health emergency has brought about significant changes in the operational and management strategy, involving the implementation of certain policies and protocols at Transener S.A.'s and Transba S.A.'s premises, particularly, at control centers and other critical operational areas, to prevent the spread of COVID-19 among employees and ensuring ongoing service supply.

Despite the health emergency, the Company continues to develop an organizational culture based on a robust cost awareness policy that leads to increased efficiency levels. To that end, a project has been launched to migrate the asset management strategy. To that end, technologies are being deployed and technical and supervision training is being furthered in order to optimize network operation and facilities preventive maintenance, with pre-established frequencies and tasks, ensuring a better version from the addition of predictive techniques, which are increasingly accessible through the available technology. To illustrate, let us mention the renewal of the Companies' real-time operation systems with cutting-edge technology that provides multiple software tools that aid operators to make real-time decisions when faced with the most demanding operational scenarios, as well as the recovery and technology upgrade of Ezeiza Transforming Substation's transforming capacity, the renewal of switchyard, measurement and control units which have already exhausted their useful lives replacing them with other pieces of equipment that respond more effectively to the high operational demands posed by the network, particularly,





in the view of the incorporation of major modules of renewable energies that are being carried out in the framework of Law N° 27,191. In this respect, all employees who are required to discharge their duties on the premises have received hygiene and personal protective elements, and workplaces have been adjusted in order to maintain the minimum safe 2-meter distance among people, while adopting some other specific disinfection and cleaning measures.

In the above-mentioned context, in July 2021 Transener S.A. agreed on a loan for Pesos 1 billion with Banco de la Nación Argentina, for a term of three years, with a BADLAR+8% rate. Principal amortization takes place in monthly and consecutive installments in line with the German system and the proceeds of the loan will be working capital.

In addition, on August 17, 2021, the Company repaid Class 2 Negotiable Obligations at 9.75%, for the balance of thousand US\$ 86,045, plus the relevant accrued interest.

The Company is recovering plans to resume its non-critical maintenance activities which had to be postponed by reason of the health emergency since early 2020. The Company also plans to continue with the implementation of its investment plan to maintain the outstanding service quality it has achieved. Among other things, this plan encompasses the renewal of switchyard, measurement and control units which have already exhausted their useful lives, replacing them with other pieces of equipment capable of responding more effectively to the high operational demands posed by the network. The Company also seeks to make progress with its public safety projects, reaffirming its strong commitment in this regard.

Besides, the training plans continue to be deployed using an in-person approach as well as a remote approach so as to maintain technical personnel with the knowledge and professional training required by the service.

At the same time, the Company continues with the development of systems to identify and manage risk with continuous management mechanisms and internal control procedures as a part of the Company's policies that seek continuous improvement and to efficiently allocate resources. The Company's Risk Management policy is mainly based on the generation of value, adoption of the best practices, allocation of responsibilities in risk management, the integration of quality assurance, safety and health in the work place and the analysis and periodical and continuous control through the respective Risk Management Committees. In this regard, the Company has continued to implement the Integrity Program, pursuant to the provisions in Law N° 27,401 on criminal liability of legal entities.

In addition, we have to mention the tenacity and cooperation exhibited by all levels of personnel who, with great professionalism and team work, and despite the above-described challenges, help the Company maintain outstanding technical, operational and financial performance.

In view of the foregoing, the Company is confident that it will be able to successfully overcome the health crisis and fully execute its Business Plan, ensuring the outstanding service quality it has attained. Against this backdrop, the Company is also confident that it will be able to continue incorporating systems and technologies which provide the highest reliability and predictability in the supply of the electricity transmission service.



Proposal by the Board of Directors

The Board of Directors has not prepared any proposal to distribute unappropriated retained earnings and it has decided that it will be the Ordinary General Shareholders' Meeting which must decide how to appropriate them.

This has been a year of major challenges and there is no way they could have been successfully surpassed without the efforts made by the Company's human resources. To them and to their customers and suppliers, our warmest gratefulness.

Buenos Aires, March 9, 2022
THE BOARD OF DIRECTORS



The background features a teal color scheme with abstract white and dark teal shapes. Power lines are visible in the upper portion, and a close-up of a high-voltage electrical insulator is shown in the bottom right corner.

Financial Information

Here follows the Consolidated Statements of Operations of Compañía de Transporte de Energía Eléctrica en Alta Tensión Transener S.A. and the corresponding Consolidated Balance Sheets, Consolidated Statements of Changes in Shareholders' Equity and Consolidated Statements of Cash Flows for the fiscal year ended December 31, 2021.



Consolidated Statements of Operations

For the fiscal years ended December 31, 2021 and 2020 (Expressed in thousands of Argentine Pesos)

	31.12.2021	31.12.2020
CONSOLIDATED INCOME STATEMENT		
Revenues	17,334,398	24,586,973
Operating costs	(13,160,947)	(12,454,450)
Gross profit	4,173,451	12,132,523
Administrative expenses	(1,628,373)	(1,602,795)
Other operating income / (expense), net	147,727	(222,623)
Operating income	2,692,805	10,307,105
Finance income	2,720,655	2,731,557
Finance costs	(2,180,656)	(2,363,898)
Other financial results	(722,957)	(1,517,644)
Loss on net monetary position	(717,710)	(184,071)
Profit before tax	1,792,137	8,973,049
Income tax	(3,100,147)	(2,688,577)
(Loss)/Profit of the year from continuing operations	(1,308,010)	6,284,472
(LOSS)/PROFIT OF THE YEAR ATTRIBUTABLE TO :		
Owners of the company	(1,308,010)	6,284,472
Total for the year	(1,308,010)	6,284,472
OTHER COMPREHENSIVE RESULTS		
Items that will not be reclassified to profit or loss		
Recognition of actuarial income in retirement benefits plans	(170,195)	(17,481)
Income tax effect on actuarial income in retirement benefits plans	83,883	4,545
Other comprehensive loss of the year	(86,312)	(12,936)
Comprehensive (loss)/income for the year	(1,394,322)	6,271,536
COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR ATTRIBUTABLE TO:		
Owners of the company	(1,394,322)	6,271,536
Total comprehensive (loss)/income of the year	(1,394,322)	6,271,536
Earning per share attributable to the equity holders of the Company (\$ per share)	(3.14)	14.10



Consolidated Balance Sheets

As of December 31, 2021 and 2020 (Expressed in thousands of Argentine Pesos)

ASSETS	31.12.2021	31.12.2020
Non-current assets		
Property, plant and equipment	46,154,711	45,431,112
Inventories	1,915,428	1,862,794
Total Non-current assets	48,070,139	47,293,906
Current Assets		
Trade accounts receivable	2,862,035	5,971,755
Other receivables	1,297,080	2,444,466
Investments at fair value	3,962,491	11,653,463
Investments at amortized cost	0	76,673
Cash and cash equivalents	47,705	1,360,955
Total Current assets	8,169,311	21,507,312
Total Assets	56,239,450	68,801,218
EQUITY	31.12.2021	31.12.2020
Share capital	444,674	444,674
Share capital adjustment	19,072,694	19,072,694
Legal reserve	1,831,127	1,516,904
Optional reserve	906,926	906,926
Voluntary reserve	19,844,743	13,874,494
Other comprehensive results	(942,176)	(855,864)
Retained earnings	(1,308,010)	6,284,472
Total equity	39,849,978	41,244,300
LIABILITIES	31.12.2021	31.12.2020
Non-current liabilities		
Loans	527,778	0
Deferred tax liabilities	8,120,891	6,552,295
Employee benefits payable	1,114,302	1,084,158
Trade accounts payable	109,646	19,550
Total Non-current liabilities	9,872,617	7,656,003
Current liabilities		
Provisions	198,362	209,451
Loans	348,367	11,988,222
Income tax payable	1,234,089	1,614,582
Taxes payable	255,224	354,737
Payroll and social securities taxes payable	2,049,076	2,089,527
Employee benefits payable	278,576	271,039
Trade accounts payable	2,153,161	3,373,357
Total Current liabilities	6,516,855	19,900,915
Total Liabilities	16,389,472	27,556,918
Total Equity and liabilities	56,239,450	68,801,218

Consolidated Statements of Changes in Equity

For the fiscal years ended December 31, 2021 and 2020 (Expressed in thousands of Argentine Pesos)

	Share capital	Share capital adjustment	Legal reserve
Balance as of December 31, 2019	444,674	19,072,694	1,054,126
Ordinary General Meeting of Shareholders held on May 5, 2020			
- Legal reserve	0	0	462,778
- Voluntary reserve	0	0	0
Absortion of the reserve for acquisition of non-controlling interests	0	0	0
Income for the year	0	0	0
Other comprehensive loss of the year	0	0	0
Balance as of December 31, 2020	444,674	19,072,694	1,516,904
Ordinary General Meeting of Shareholders held on April 21, 2021			
- Legal reserve	0	0	314,223
- Voluntary reserve	0	0	0
Loss for the year	0	0	0
Other comprehensive loss of the year	0	0	0
Balance as of December 31, 2021	444,674	19,072,694	1,831,127



Optional reserve	Reserve for acquisition of non-controlling interests	Voluntary reserve	Other comprehensive results	Retained earnings	Total equity
906,926	1,066,925	5,081,711	(842,928)	8,188,636	34,972,764
0	0	0	0	(462,778)	0
0	0	8,792,783	0	(8,792,783)	0
0	(1,066,925)	0	0	1,066,925	0
0	0	0	0	6,284,472	6,284,472
0	0	0	(12,936)	0	(12,936)
906,926	0	13,874,494	(855,864)	6,284,472	41,244,300
0	0	0	0	(314,223)	0
0	0	5,970,249	0	(5,970,249)	0
0	0	0	0	(1,308,010)	(1,308,010)
0	0	0	(86,312)	0	(86,312)
906,926	0	19,844,743	(942,176)	(1,308,010)	39,849,978



Consolidated Statements of Cash Flows

For the fiscal years ended December 31, 2021 and 2020 (Expressed in thousands of Argentine Pesos)

	31.12.2021	31.12.2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Comprehensive (loss)/income for the year	(1,394,322)	6,271,536
Reconciliation of total comprehensive (loss)/income to cash flows provided by operating activities:		
Depreciation of property, plant and equipment	2,814,721	2,640,115
Provisions	101,362	58,242
Other comprehensive results	86,312	12,936
Impairment results of financial instruments	136,132	52,400
Employee benefits plan	491,499	573,164
Income tax expense accrued during the year	3,100,147	2,688,577
Financial results (loss)/gain in net monetary position generated by loans	(761,314)	1,639,919
Interest and foreign exchange results generated by investments at fair value	(1,898,354)	(3,195,938)
Interest and foreign exchange results generated by investments at amortized cost	(13,604)	(11,156)
Taxes payable interests	170,257	126,944
(Loss)/gain on net monetary position generated by investments	3,147,311	3,139,539
Financial results from cash and cash equivalents	173,924	239,473
Retirements of property, plant and equipment	29,953	142,494
Changes in operating assets and liabilities:		
Decrease in trade accounts receivables	2,973,588	448,393
Decrease in other receivables	1,147,386	238,314
(Decrease)/increase in trade accounts payable	(1,130,100)	379,132
(Decrease)/increase in payroll and social securities taxes payable	(40,451)	245,561
Decrease in taxes payable	(430,707)	(662,958)
Decrease in provisions	(112,451)	(71,491)
Decrease of employee benefits payable	(624,013)	(584,190)
Income tax payment	(1,667,224)	(2,955,029)
Net cash generated by operating activities	6,300,052	11,415,977
CASH FLOWS FROM INVESTING ACTIVITIES:	31.12.2021	31.12.2020
Acquisition of property, plant and equipment	(3,568,273)	(5,327,247)
Increase in inventories	(52,634)	(347,833)
Decrease/(Increase) in investments at fair value	6,468,345	(2,737,591)
Decrease/(Increase) in investments at amortized cost	63,947	(317,379)
Net cash generated by/(used in) investing activities	2,911,385	(8,730,050)
CASH FLOWS FROM FINANCING ACTIVITIES:	31.12.2021	31.12.2020
Increase of loans	1,169,362	0
Repurchase Class 2 Notes	(684,492)	0
Payments of loans - Capital	(9,677,238)	0
Payments of loans - Interest	(1,158,395)	(1,176,827)
Net cash used in financing activities	(10,350,763)	(1,176,827)
(Decrease)/Increase in cash and cash equivalents	(1,139,326)	1,509,100
Financial results from cash and cash equivalents	(173,924)	(239,473)
Cash and cash equivalents at the beginning of the year	1,360,955	91,328
Cash and cash equivalents at the end of the year	47,705	1,360,955

