



Central Puerto

Central Puerto S.A.

1Q 2020 Results Conference Call

Thursday, May 28, 2020, 10:00 A.M. Eastern

CORPORATE PARTICIPANTS

Jorge Rauber – *Chief Executive Officer*

Fernando Bonnet – *Chief Financial Officer*

Milagros Grande – *Financial Manager*

Tomás Daghlían – *Investor Relations Officer*

CORPORATE PARTICIPANTS

Jorge Rauber, *Chief Executive Officer*

Fernando Bonnet, *Chief Financial Officer*

Milagros Grande, *Financial Manager*

Tomas Daghljan, *Investor Relations Officer*

CONFERENCE CALL PARTICIPANTS

Ezequiel Fernández López, *Balanx Capital*

Frank McGann, *Bank of America*

Antonella Rapuano, *Santander*

PRESENTATION**Operator**

Good morning and welcome to Central Puerto's conference call following the results announcement of the quarter ended on March 31, 2020.

All participants will be in listen-only mode. Should you need assistance, please signal a conference specialist by pressing the star key, followed by zero. After today's presentation, there will be an opportunity to ask questions. Please note this event is being recorded.

If you do not have a copy of the press release, please refer to the Investor Support section on the Company's corporate website at www.centralpuerto.com. A replay of today's call may be accessed by accessing the webcast of the Investor Support section of the Central Puerto corporate website.

Before we proceed, please note that certain statements made by the Company during this conference call are forward-looking statements, and we refer you to the Forward-Looking Statements section of our earnings release and recent filings with the SEC. Central Puerto assumes no obligation to update forward-looking statements except as required under applicable securities' laws. In addition, all financial figures were prepared in accordance with IFRS and are stated in Argentinean Pesos, unless otherwise noted.

For follow the discussion better please download the webcast presentation available on the company's website. Please be aware that some of the numbers mentioned during the call may be rounded in order to simplify the discussion.

On the call today from Central Puerto is Jorge Rauber, Chief Executive Officer; Fernando Bonnet, Chief Operating Officer; Milagros Grande, Financial Manager; and Tomas Daghlán, Investor Relations Officer.

Now, I will turn the conference over to Jorge Rauber. Mr. Rauber, you may begin.

Jorge Rauber

Thank you, and good morning. I would like to begin today's call analyzing the developments of the first quarter. After that, I will comment on the advances of our expansion projects and analyze the operative figures of the quarter. Finally, Fernando will analyze the financial results, and comment on the recent news on the Company.

As you know, the COVID-19 crisis has affected almost all the world, including Argentina. As a consequence, the federal and local government have issued mitigation measures in order to slow down the spread of the virus. Among them, on March 20, 2020, the federal government released a stay-at-home order or quarantine as you can see on Page 3. However, the electricity generation activity was considered an essential service, and thus, exempt from the restrictions. In order to protect our essential workers, we have implemented strict health and safety protocols for them, while the rest of our personnel is doing home office. The quarantine did not have significant consequences during the first quarter, but it is expected to have a deeper impact during the second quarter.

For example, as a consequence of the effects of the quarantine on economic activity, electricity energy demand decreased 11.5% during April, and 10% during the first three weeks of May, compared to the same period of 2019 according to data from CAMMESA. However, it's worth noting that the decrease has a less than proportional impact in the income of the generation companies. In the case of renewal energy units, they are unaffected since they have dispatch priority, and they do not lose energy generation. In the case of thermal units, they have a high proportion of their income associated to fix power remuneration, which is not related to the energy generation of the units. Additionally when demand decreases, the unit then stop generating electricity first tend to be the older inefficient ones. These units receive a lower remuneration under the Energía Base framework, as compared to the new efficient ones they have a higher remuneration contracts also known as Power Purchase Agreement, or PPAs.

As a consequence of the decrease of economic activity due to the pandemic, on April 8, 2020, the Secretariat of Energy instructed CAMMESA to postpone until further notice the application of price update mechanism established by Resolution 31 for the Energía Base units, that is the spot sales. However, it's worth noting that during the first quarter 2020, around 50% of our EBITDA came from unit that have contract and not from the spot sales units. Furthermore, for the full 2020 year, we expect that 70% of our business will come from units that have their contracts set in U.S. dollars due to the new capacity coming online during this year.

Finally, the COVID-19 crisis had an impact on our projects and the construction, like in La Genoveva I and San Lorenzo as you can see on page 4. Initially, the construction of private sector energy infrastructure was not included as an exemption to the quarantine but was included on April 7, 2020. Consequently, after taking all necessary precautions and implementing corresponding protocols to protect the personnel and the community where the projects are developed, the construction in La Genoveva I wind farm and Terminal 6 and Lorenzo thermal plant was resumed on April 9 and April 27, respectively. Additionally, in

the case of La Genoveva I on February 21, 2020, Vestas the supplier of the wind turbine of La Genoveva I Project notified the company that the COVID-19 outbreak affected its manufacturing activities worldwide, causing delays on the supply chain for the delivery of certain Chinese origin manufacturing components required for the completion of the wind turbines. In this communication, Vestas did not specify the impact that this equation may have on the agreed schedule. Furthermore, logistic restriction imposed by the federal and local governments may also slow down the construction.

In the case of the San Lorenzo project, the construction was restarted after one month, with one-third of the personnel that was working prior to the quarantine due to the health and safety protocols agreed with the health authorities. Additionally, the project may also be affected by travel restrictions for international specialists that participate in the construction. Due to these restrictions, the CODs of La Genoveva I and Terminal 6-San Lorenzo are expected to be delayed and depend on the evolution of the situation in the region in both projects are located and the measures implemented by the government.

On the other hand, as you can see on Page 5, during the first quarter 2020, we reached the commercial operation date for Los Olivos wind farm, adding 23 megawatts and increase the installed capacity of the wind farms Manque and the La Castellana II, which now have 57 and 15 megawatts, respectively. Projects, together with La Genoveva II wind farm, have already signed long-term contracts with prices set in U.S. dollars directly with private customers for 100% of their capacity.

Finally, I would like to give you an update on recent development for the second quarter.

In April 2020, the Siemens branded combined cycle of Luján de Cuyo plant became unavailable due to significant failure in its main transformer. The normal lead time for a complete reparation or the replacement of the equipment is around 12 months. However, the Company is evaluating alternatives to return the unit service sooner. Although, these may reduce the energy generation from this unit during the time the equipment remains unavailable, the Company has a comprehensive operational risk and loss of profit insurance that covers the breakdown costs and the consequential loss profits.

Going now to our key performance indicators of the quarter as you can see on Page 6, energy generation during the first quarter was 3.9 terawatt hours of electricity, 10% higher than the same period of 2018. As a reference, energy demand during the period increased 4.2%, and domestic energy generation increased 7.4%. Increase in energy generation was first due to 88% increase from renewable sources, mainly due to the positive impact of La Castellana II, La Genoveva II, Manque, and Los Olivos wind farms.

Second, hydro generation from Piedra del Águila increased 10% due to higher available water flow.

Finally, generation from our thermal units increased 5% mainly due to the positive impact of the purchase of the Brigadier López plant and the new Luján de Cuyo cogeneration unit, and to a lesser extent, to an increase in energy generation on some of the steam turbines of the Puerto complex, due to higher temperatures during the summer.

Regarding our thermal units, as you can see on the graphic on right in the same page, we continue to show an excellent track in terms of availability, reaching 93%, 3 percentage points higher than the same quarter of 2018. This figure is 10 percentage points above the average availability of thermal units for the total market, showing Central Puerto's competitive advantage.

Now, I will turn the call over to Fernando, who will comment on the financial highlights.

Fernando Bonnet

Thank you, Jorge.

Before starting, it's worth noting that the financial statement for the quarter ended on March 31, 2020 include the effects of the inflation adjustments. Accordingly, the financial figures that I will mention, including the data from previous periods and the growth comparison has been stated in terms of Argentine pesos at the end of the reporting periods. I will further refer to the results of the first quarter 2020 as compared to the first quarter of 2019.

As you can see on Page 7, our revenues were ARS 8 billion in the quarter, a 13% decrease compared to ARS 9.3 billion during the first quarter of 2018. This decrease was driven by the discontinuation of fuel purchase operations that we did during 2019, due to new regulations that centralized in CAMMESA, the fuel purchase for all generators. These effects represent ARS 3.5 billion variation as you can see on Page 7. Excluding this effect, revenues for the first quarter of 2020 would have increased approximately 40%. This increase was mainly driven by an increase in sales under contract, which amounts to ARS 3.4 billion during the first quarter 2020, as compared to ARS 768 million in the first quarter of 2019, mainly due to the revenues related to the Brigadier López power plant, which was acquired in June 2019, the new Lujan de Cuyo cogeneration unit, which started operation in October 2019, and the wind farms, La Castellana II, La Genoveva II, Manque, and Los Olivos, which started operation on June, September, December 2019 and February 2020, respectively; a 10% increase in energy generation, as Jorge mentioned before, and a 3% increase in availability of thermal units under Energía Base framework. This increase was partially offset by a decrease in price for units under Energía Base the framework established by Resolution 31 in force since February 1, 2020.

Going to Page 8, we can see the changes in our EBITDA, which reflects the increase in our gross profit, which in the quarter rise to 22%, as compared to the same period of 2019. This was due to evaluation in revenues mentioned before, and was partially improved by a 39% decrease in our cost of sales that totaled ARS 3.3 billion, compared to ARS 5.4 billion in the same period of 2019. The decrease in the cost of sale was primarily driven by an 81% decrease in the purchase of fuel and related concepts due to their discontinuation of this operation in the quarter according to the new regulations. This was partially offset by 29% increase in non-fuel related cost of production, mainly due to an increase in our installed capacity, following the acquisition of Brigadier López power plant and COD of the new thermal and renewable energy projects. Gross profit margins totaled 59% during the first quarter of 2020, as compared to 41% in the first quarter of 2019. This change was mainly a consequence of an operation for purchase of self-supplied fuel, which was enforced during the first quarter 2019, but not during the first quarter of 2020.

Finally, other operating results net decreased ARS 1.9 billion in the quarter, mainly due to an impairment in a property, plant and equipment, which amounted to ARS 774 million in the quarter due evaluation at fair value of two Siemens branded gas turbines stored in the suppliers' facilities, which were evaluated using the fair value less cost of sales approach, and a ARS 2.4 billion gain during the first quarter 2020 from the foreign exchange difference and operating assets, mainly due to a FONI trade receivables, compared to ARS 3.9 billion during the first quarter of 2019, mainly due to an 8% depreciation of Argentine pesos during the first quarter of 2020 compared to the 15% depreciation during the same period in the previous year, and a lower average balance of the trade receivables maintained during the quarter.

As a consequence of these variations, the Adjusted EBITDA was around ARS 7.6 billion in the first quarter of 2020, 7% lower than ARS 8.2 billion in the same period of 2019. However, Adjusted EBITDA excluding the foreign exchange difference and interest on FONI trade receivables and the impairment on

property, plant and equipment was ARS 5.8 billion in the first quarter of 2020, 53% higher than ARS 3.8 billion during the same period of 2019, showing the solid result of the new plant.

Going to Page 9, the consolidated net income was ARS 1 billion compared to ARS 1.8 billion in the same period of 2019. In addition, due to the factors mentioned before, the net income was mainly affected by higher financial expenses which increased ARS 2.2 billion due to the loans obtained from the thermal or renewal energy expansion project and the position of Brigadier López power plant, and a lower financial income due to interest rates during the quarter and lower foreign exchange difference over U.S. dollar denominated financial assets which excludes FONI and other trade receivables. These effects were partially compensated by a favorable net monetary position during the first quarter of 2020 resulting in a gain in real terms, while the situation was the opposite during the first quarter of 2019.

Going to Page 10, you can see the cash flow for the first quarter of 2020.

Net cash provided by operating activities was ARS 3.5 billion. This includes ARS 1.5 billion in collection from FONI and CVO installments which is not contained in EBITDA.

The cash flow from operations was partially offset by ARS 1.2 billion CAPEX ex invested in the expansion projects and ARS 1.5 billion used to servicing debt.

Thank you. Now we invite you to ask any questions to our team.

Operator

We will now begin the question-and-answer session. To ask a question, you may press star, then one on your touch-tone phone. If you're using a speakerphone, please pick up your handset before pressing the keys. To withdraw your question, please press star, then two. At this time, we will pause momentarily to assemble our roster.

Our first question today comes from Ezequiel Fernández. Please go ahead.

Ezequiel Fernández

Good morning. Yes, this is Ezequiel Fernández from Balanz Capital. Thanks for the materials. I have three initial questions. I would like to go one by one if you don't mind. First on the Luján de Cuyo stoppage, can you please tell us a bit more about what happened, and if the transformer failure led to damages in other more critical or core equipment? Also, what is the CAPEX that you expect to spend to fix this, and what are the processes and timeframes involved in collecting from the insurance company?

Jorge Rauber

Okay, let me go and address this question, in the first term, thank you for your question. What happened is that transformer is that it caught fire. The root cause analysis has not been performed yet so we don't know exactly what happened with the unit but will be analyzed and assessed by the specialists in order to determine what exactly was the origin of that failure.

In the first 12 months, we have to go to purchase a completely new transformer. Our first evaluation is that the unit has been severely damaged. In fact, what happened is the complete destruction of the central column of the transformer. That means that the transformer should be completely rewound at new. It will take 12 months if we have to replace it for the new one, but we are analyzing with some of the

firms involved in the replacement of transformer the possibility of repairing it instead of completely discarded it and go to purchase a new one.

The total CAPEX involved in this operation if we have to go for a new transformer will be US\$ 3.5 million more or less, and if we have the opportunity to repair instead, it could be around US\$ 1 million or something like this. Each month of out-of-service of the unit means US\$2.5 million, more or less. We have a period, for insurance purposes, we have a period of time this is not covered, it's a month, and in the case of the cost of repairing, would be US\$0.50 million. So we're working today in order to basically move one spare transformer that we have in Central Puerto, which is initially supposed to function as a spare part for the combined cycle we have in Central Puerto here located in Buenos Aires that it's not exactly the same transformer but we're analyzing the possibility of modifying something, somehow, the equipment in the Luján de Cuyo power plant in order to connect this spare transformer and operate with that one. In that case the time involved in the out-of-service period will be reduced.

Ezequiel Fernández

Okay, great. Just to be clear, do you expect the full 300 megawatts to be out of service, or is it only a partial...?

Jorge Rauber

No, it's a complete outage, because what happened is the unit which has been damaged is the transformer corresponding to the gas turbine. It's the main transformer of the unit. That means that the complete unit is out of service, the combined cycle.

Ezequiel Fernández

Okay. That's very clear. Great. My second question is related to San Lorenzo and La Genoveva. If you could tell us what was the work advance, ideally in percentage of completion that you had until the moment?

Jorge Rauber

I will answer regarding San Lorenzo, and perhaps Fernando could add something regarding the renewable one. In the case of San Lorenzo, what has happened is all the constructions involved in terms of infrastructure, due to the quarantine the work was stopped at—when the quarantine was put by the government. The work has been resumed at the end of April, as we mentioned, when we described the current situation, but of course, it's advancing subject to a new and quite strict protocol in terms of safety. This means that the works is going ahead at a very slow pace compared with the work we had before the quarantine. What we expect, perhaps—it's very difficult to forecast the exact timetable for the pace today, even the situation is changing every day, but we expect at least—I mean a delay of more than three months, perhaps the first quarter next year as a time of completion of the project, given how fast we are advancing today.

Ezequiel Fernández

Okay, perfect.

Jorge Rauber

Fernando, can you—I'm sorry. (Inaudible) It was clear? If you have another question regarding Lorenzo specifically?

Ezequiel Fernández

No, no, no. That's perfect. Thank you very much. We can move to La Genoveva.

Jorge Rauber

Okay.

Fernando Bonnet

Okay. Thank you for the question. In the case of La Genoveva, it's simpler, of course, project than San Lorenzo, which is a bigger one, but as Jorge mentioned, we started the construction in late April. Right now we're in the phase of mounting the generators. We are mounting not at the same pace as we did before the quarantine, because as you know, the measures of the government and the provincial government and local governments are taking a very, very strict, especially in the place of—in the region of Santa Fe and the Bahía Blanca region. And in Bahía Blanca region in another wind farm that is under construction, there appear three cases of coronavirus, so the authorities are very, very strict right now there. But instead of allowing the construction are getting stricter in terms of having the people in the town. It's not easy, but we're still working on the construction. We're mounting the generators. We have been mounting I think between three or four of the total 21 that we have in this near term. We expect that if we can continue doing that without any case of coronavirus and without any restrictions for the local authorities additionally to the ones we are suffering now, we can finish around the third quarter this year for the total power plant at the end of the third quarter.

Ezequiel Fernández

Okay, perfect. Thank you very much.

My third question is related to, ... on the financial side, how are your conversations with banks going regarding revolving some of your loans, and specifically, the larger syndicated loan of around \$180 million?

Fernando Bonnet

Okay. In terms of short-term debt, we're not facing any problem. We have all our lines with banks available. In fact we don't have a lot of debt in the short term. In the case of the big loan, that you have mentioned, the one for the acquisition of Brigadier López, the first amortization of the capital for December this year. So we have time, we are talking to them. Of course, we need to wait because as Jorge mentioned, right now we're not suffering any external problem with the quarantine because of our income are coming normally. Of course we see some reduction for the production, but as you know, our income is mainly driven by the availability of our units. We're analyzing opportunities to renegotiate that loan, but it's not urgent for us and for the banks right now. Of course we are talking with the banks, but we're not in a position that we need to change or renegotiate that because we don't have the cash pay. We are talking with them, but we are analyzing the future of our income, our flow, and right now is not urgent.

Ezequiel Fernández

That's very clear. Thank you.

Operator

Our next question comes from Frank McGann with Bank of America. Please go ahead.

Frank McGann

Yes, thank you very much. You mentioned the potential for weaker demand in the release related to COVID-19 in the market in Argentina, and I was just wondering what effects this could potentially have on your business in terms of overall dispatch and such, and what—basically just how you're seeing the next couple of quarters in terms of effects coming from COVID-19?

Jorge Rauber

Frank, thank you for your question. It's a different situation if you compare Argentina with other more industrialized countries. In Argentina specifically, the demand has decreased 11.5%. It's not such a huge reduction in terms of demand. Perhaps the most important effect, because of the coronavirus is mostly related with the collection and that kind of thing not so much was demand. We don't see—I mean, perhaps somehow would affect when we start because of that situation, but we don't see a dramatic reduction in terms of production.

Our combined cycle in Puerto for sure will be in dispatch. Probably our steam turbines is out of dispatch because of this impact, but perhaps the other factors, the fact that our transformer in Mendoza is out-of-service, that kind of things are more important in terms of projecting our results for this year than the coronavirus.

Perhaps the most important thing regarding this situation is the projects under construction and collections. The government had to intervene in the market in order to inject more money, increase subsidy three times, the subsidy they were planning to the market, in order to keep all the collection chain active, and maintain all the system operating. It's more related to the collection than with a demand or generation, and in fact, all the renewable projects have priority of dispatch, so they're not going to be affected. Our combined cycle is quite efficient in dispatch. Our cogeneration in Luján de Cuyo is operating, and perhaps there'll be a reduction in our older turbines. In terms of remuneration, as mentioned in our statement, it's not so much affected because a higher part of the remuneration has been on capacity, not so much on production. We don't see a direct impact in terms of production or generation, but more related with collection perhaps in higher subsidy needed from the government in order to keep collections operating and active.

Frank McGann

Okay, thank you. Have you seen an increase in the time it takes for you to get compensated by CAMMESA?

Jorge Rauber

Not so much. In fact, the last month they had reduced at the time, I mean, at the beginning of the quarantine, there was an impact, it was a delay, but now the government is sort of going back on track. Not so much affected because of these—the decline was before that, I mean. The delay in collection was

mostly related with the change in government in December than because of the quarantine. During the quarantine, it was maintained the same payments that we had before.

Frank McGann

Okay. Thank you very much.

Jorge Rauber

You're welcome.

Operator

Your next question comes from Antonella Rapuano with Santander. Please go ahead.

Antonella Rapuano

Hi. Thank you for the presentation and for taking my question. I would like to make two questions, if I may. The first one is regarding the FONINVEMEM program, and specifically on the thermal plants, Belgrano and San Martín. I was wondering if you could give us some updates on the transfers of the assets from the trust, where you have a material interest, and when do you expect to start registering this equity income in your financial statements, and also if you have any remaining payments for the FONINVEMEM from Belgrano and San Martín for the remaining of the year, or these payments have already been paid—the receivable payments I am referring to?

Jorge Rauber

Okay. Fernando, can you answer this question?

Fernando Bonnet

Yes. Thank you, Antonella. In terms of receivables, we already collected the full balance of the receivables from San Martín and Belgrano power plants. This is completely set on time. In terms of the transfer of the assets, we are in the period that the agreements required in terms of the government entering in the operating the companies that was established in the agreement, in the original agreement. We perform the shareholder's meeting for the two companies in order to give the opportunity to the government to enter. We did it in the terms that the government asked and the terms of participation. As you know, we have some discussions about that.

We think that the participation of the government needs to be reviewed in terms of how much they contribute to the construction of the power plant but, in order to not lose the opportunity to receive the power plants in the operating companies, we agreed to allow them to enter in the proportion that they want, reserving our rights to reclaim the difference in further moments, in further actions.

We did that, and we comply with the application, and the government, the power plants and the trustee are analyzing all the information and requiring some additional information, and I think we are doing all the analysis in order to transfer the assets to the Company. We don't know when this will happen, but we think that need to be in the next months.

Antonella Rapuano

Great, thank you.

Fernando Bonnet

Whenever it happens, we're going to recognize the income in our balance sheet.

Antonella Rapuano

Right, and could you—just a follow-up, could you give us some measure of the magnitude of this income from Belgrano and San Martín?

Fernando Bonnet

Well, we need to perform an evaluation. It's very difficult because we need to finish this issue with the participation, and after that we need to perform a evaluation—for sure to incorporate these assets in our balance sheet. I don't know. Right now, I don't have evaluation performed yet, but you can do it thinking that these power plants receive some renovation to combined cycle right now in the Resolution 31. More or less these will be the income that these power plants will receive from now on.

Antonella Rapuano

Sure, great. My other question is regarding the PPAs, the contract capacity, if you see any risk of changes in prices maybe translated to pesos in the case of a sharp depreciation of the local currency?

Jorge Rauber

Regarding the PPAs?

Antonella Rapuano

Yes.

Jorge Rauber

No, we don't see any changes. A month ago there was in the press some rumors regarding this, but we don't see actually a risk to have a pesification related to the PPAs.

Antonella Rapuano

Okay. Well, thank you. That's very clear.

Operator

Our next question is a follow-up from Ezequiel Fernández with Balanz Capital. Please go ahead.

Ezequiel Fernández

Yes. Hi again. Sorry, and two very quick follow-ups. The first one is, are you having access to the official FX markets for that repayment and imports without issues, and if you could tell us please about what was the size of the Central Vuelta de Obligado receivable outstanding at the end of March 2020?

Fernando Bonnet

Okay. The first one, yes, we are not facing any problem to walk through the FX market to pay imports, or to pay debt. That's a big thing in the face of their renewable projects, and in the case of importation for San Lorenzo, and the renewable project we are not facing any kind of problem, any kind of lag or question regarding to the Central Bank, so we are doing normally, of course we need to respect the times and the norms and regulations, but not more than that. In terms of the amount of their CVO receivables outstanding at March, the number is \$440 million, which is the normal that is expected in the collections. During the last year and this year we collect the normal amounts and the ruler amount so this is the amount that need to be outstanding at that time.

Ezequiel Fernández

Thank you. That was very clear. That's all from my side.

Operator

Our next question comes from Roberto Aldernon with Morgan Stanley. Please go ahead. Roberto Aldernon, your line is open.

Male Speaker

I'm sorry. I was on mute. Hi guys, thanks for taking my question. Can you give me any color on how—what percentage do you expect the overall demand will be on the second quarter and the following quarter these years? How did you see the liquidity of the company by the end of the year? Do you expect any—to have any extra debt or something like that? Thank you.

Jorge Rauber

I'm sorry, the first part of your question? Sorry, I couldn't understand.

Fernando Bonnet

I think he asked about how the demand is going to go in the second quarter and third quarter. I think that was your question, right?

Male Speaker

Yes.

Jorge Rauber

Well, more or less what I mentioned, I mean the first quarter was unaffected. In fact, the quarantine was put by the government at the end of March, March 20 to be more precise, and before that we have an increase of almost 18% in terms of demand until that date, and after that we had a reduction.

In the second quarter, what we expect is more or less 11% decrease of demand compared with the same demand for last year, so this is the whole impact we expect, and what we are seeing today. The government now is kind of relaxing the quarantine, so what we expect for the coming months unless we have a back in terms of quarantine because of increase of cases of the virus, of the disease, unless we have that kind of situation, we have to expect an increase in demand and going back to normality to say so. The worst case would be 10% or 11%.

Male Speaker

Okay.

Fernando Bonnet

I don't remember the second part of the question.

Male Speaker

Yes. How would you see the liquidity of the company in the remaining of the year? Do you expect to have any more CAPEX needs or will require to have some—the company to enter into new debt or anything like that?

Fernando Bonnet

Okay. Right now, we have sufficient liquidity to make the CAPEX that will remain for the project, Terminal 6, and the renewable one, La Genoveva I, and for that, we are not thinking to acquire some additional debt, long-term debt, for sure right now, because we are thinking in terms of liability management, we are seeing some opportunities in the local markets. Not big amounts, but we are seeing some opportunities in local markets. Perhaps some dollar-linked emissions that can give us some opportunities to acquire some additional debt at lower interest rates, which is perhaps something that we could do in terms of liability management, but we are not thinking—we don't need to do for sure in terms of closing the CAPEX that we are doing right now. We have the liquidity, and as Jorge mentioned, the impact of the coronavirus, on our cash flow is not so relevant, right now. The delays in CAMMESA are more or less stable. We have some income and flow to cover all the CAPEX that we still are performing for San Lorenzo and Genoveva I. In case of Genoveva I, we have the loan from IFC remaining, a big portion of this loan is remaining in our cash and we can apply—of course we are going to apply to the CAPEX. We are not thinking in a huge additional debt. We can do some, as I mentioned, liability management, taking an advantage of—regarding these local funds available, especially for projects, but this is going to flow for the rest of the year. We are not planning to do an international emission or an important emission of debt in the next month.

We're going to see—as I mentioned, we're going to see on December for the payment of the syndicate loan, which are more or less US\$ 36 million when—if we can do some liability management there, but not for CAPEX.

Male speaker

Okay. Thank you very much.

Fernando Bonnet

You are welcome.

Operator

This concludes our question-and-answer session. I'd like to turn the conference back over to Mr. Rauber for any closing remarks.

Jorge Rauber

Okay. Thank you to everyone for your interest in Central Puerto. We encourage you to call us at anytime for any information you may need. Thank you and have a good day.

Operator

The conference is now concluded. Thank you for attending today's presentation. You may now disconnect.

