

**CGC**

# 1Q20 Results Presentation

June 2020

**CGC**

Empresa Petrolera

NO SMOKING

1116

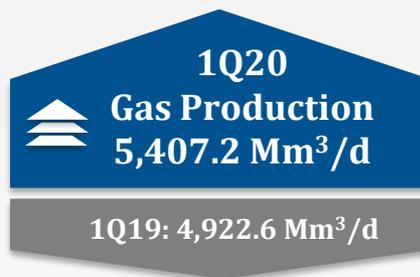
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# 1Q20 Results Summary

CGC had a better than expected quarterly performance in a very challenging environment.



**79,2**

**Cash Position as of March, 2020<sup>(4)</sup>**

**0.97x**

**Net Leverage Ratio<sup>(2)(3)</sup>**

**AR\$1.1 billion**

**Capex in 1Q20**

**US\$368.5 MM**

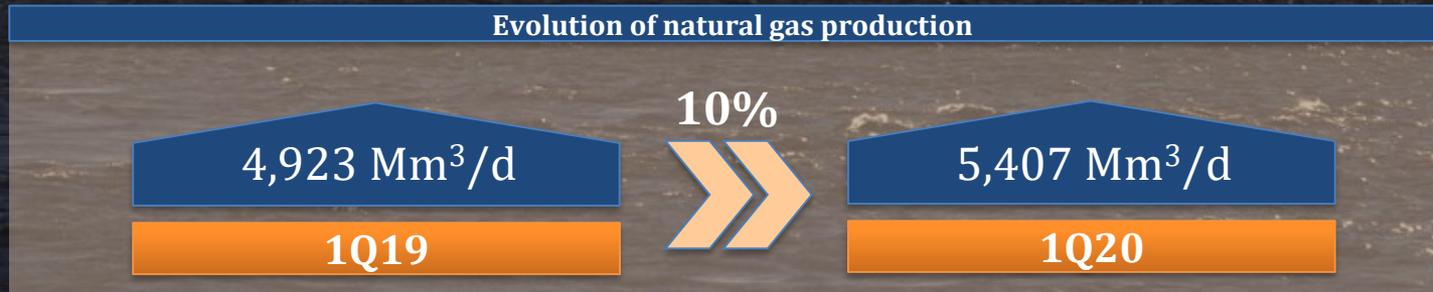
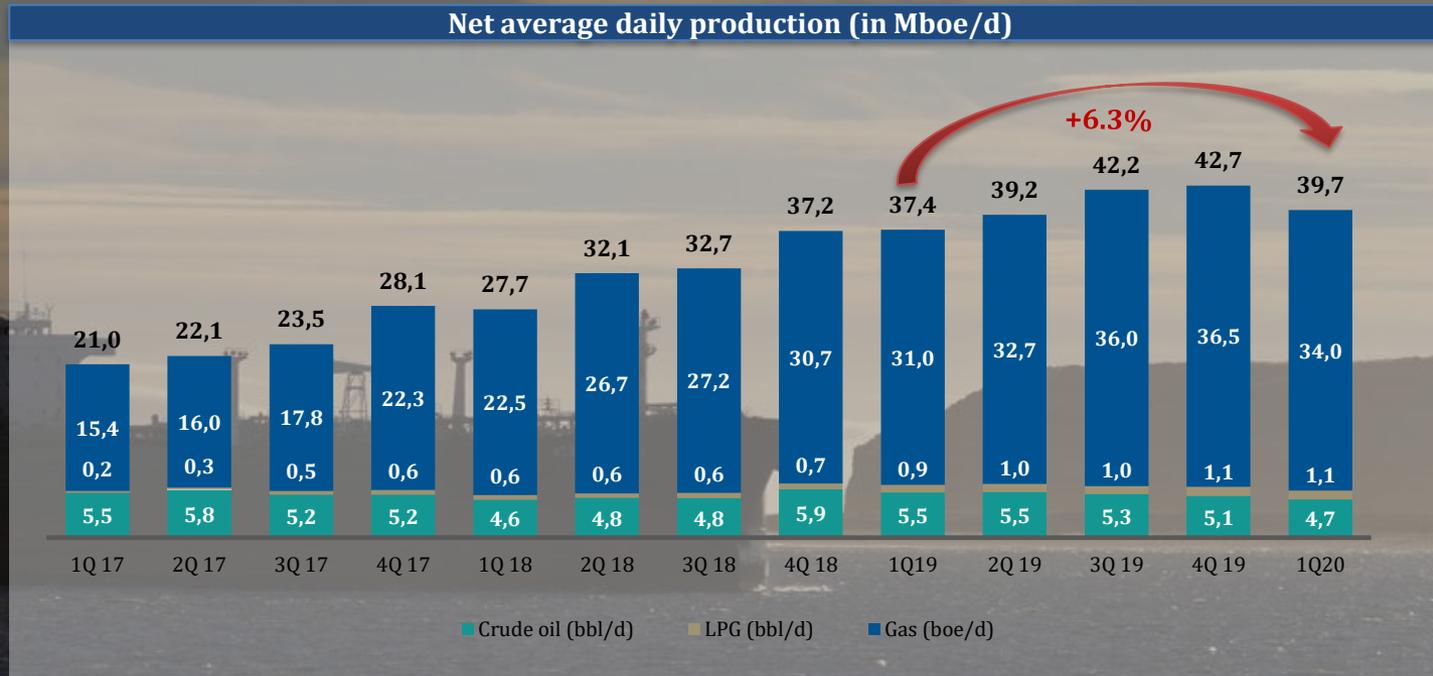
**Net Debt as of March, 2020<sup>(3)(4)</sup>**

- (1) Includes crude oil and LPG production.
- (2) Net Debt to Adjusted EBITDA
- (3) Non-recourse ON Clase 10 is not included. Considering this facility, Net Leverage Ratio is 1.05x.
- (4) Figures converted to US\$ using the following EoP exchange rate per US\$ 1.00: AR\$64.47, as of March 2020.

# 1Q20 Production

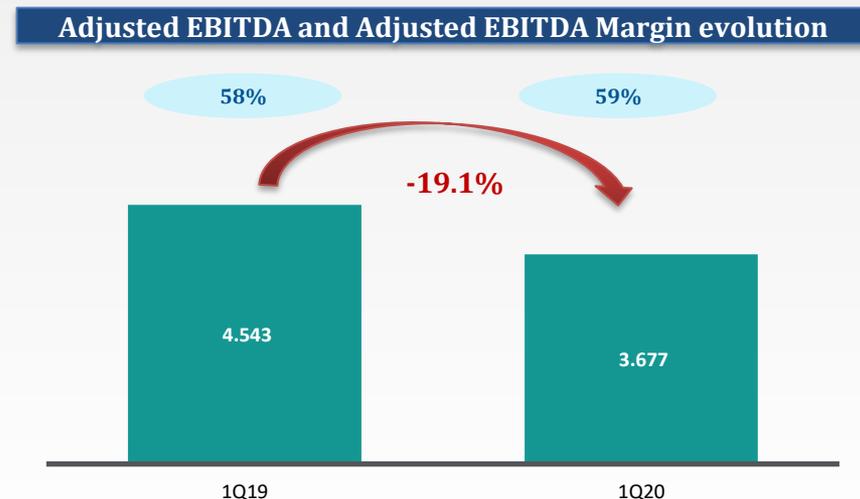
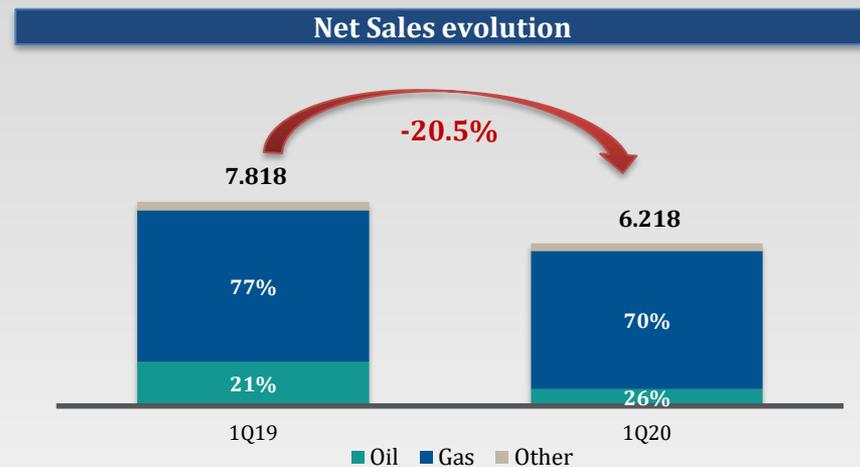
CGC's Total Production reached 39.7 Mboe/d in 1Q20, which represents an increase of 6.3% in comparison with 1Q19, and of 43.4% compared to 1Q18.

- Average gas production was 5,407 Mm<sup>3</sup> per day during 1Q20, which represented an increase of 9.8% in comparison with 1Q19.
- Unconventional gas production represented 68% of CGC's total gas sales during 1Q20.
- Average oil production (crude + LPG) reached 910.6 m<sup>3</sup> per day during 1Q20, a decrease of 10.6% in comparison with 1Q19.



# 1Q20 Net Sales and Adjusted EBITDA

Net Sales reached AR\$6,217.8 million (approximately USD96.4 million) a decrease of 20.5% compared to 1Q19. Adjusted EBITDA amounted to AR\$3,677.2 million (approximately USD57.0 million) a 19.1% decrease in comparison with 1Q19.<sup>(1)(2)</sup>



(1) Figures disclosed in AR\$ as of March, 2020.

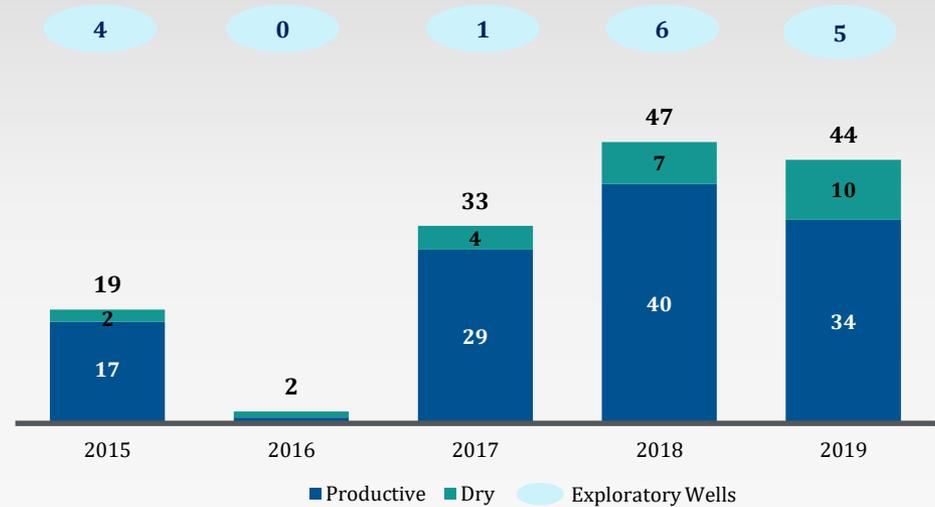
(2) Figures converted to US\$ using the following EoP exchange rate per US\$ 1.00: AR\$64.47, as of March 2020.

# 2019 Drilling Campaign

CGC drilled during 17 days in 2020 until the lockdown and sanitary emergency was enforced, and was able to finish 1 horizontal well.



## Wells Drilled evolution (2015 - 2019)



## Wells Drilled (2015 - 2019)

**145** Gross wells

**121** Productive wells

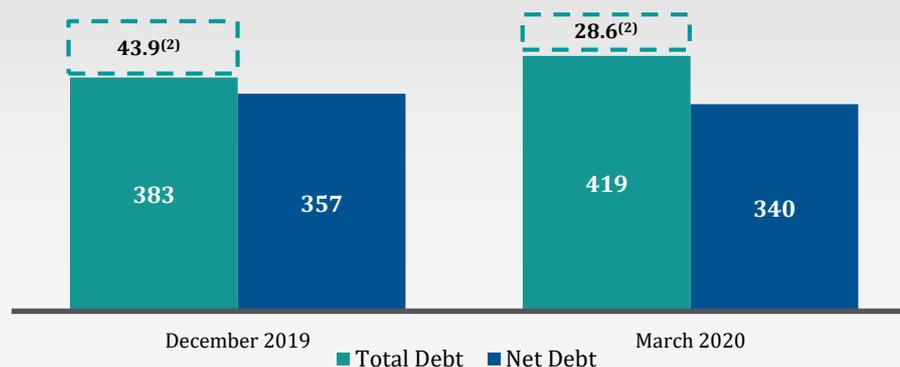
**83.4%** Success rate

# Debt & Leverage as of March, 2020

The Company has significantly reduced its net leverage since December 2017, and presents a solid interest coverage more than 8x.



**Total and Net Debt<sup>(1)</sup> (in US\$ million), Net Leverage and Coverage ratios**



Net Leverage Ratio		Coverage Ratio <sup>(3)</sup>	
March 2020	0.97x	March 2020	8.86x
December 2019	0.81x	December 2019	9.71x

- (1) Converted to US\$ using the following end of period exchange rates per US\$1.00: AR\$59.89 for December 31, 2019 and AR\$64.47 as of March 31, 2020.
- (2) Corresponds to "ON Clase 10", a non-recourse bond. All payments will be exclusively addressed with dividends or other remunerations received as a shareholder of Gasinvest, GasAndes Argentina and GasAndes Chile, or with the sale of the respective shares. Thus, this bond is not considered for the Net Leverage and Coverage ratios. Likewise, insufficient funds obtained by dividends or remunerations at maturity will not constitute an event of default, but will enable the sale of the respective shares.
- (3) Calculated as the ratio of Adjusted EBITDA to net interest expense.

# Debt profile as of March, 2020



CGC does not face significant maturities until 4Q21



## Debt Maturities (in US\$ million)

Average Life: 1.32 Years

Cash Position: US\$79.2 million

Average Cost: 9.67%



- The company issued three series of Local Bonds in March 2020: Obligaciones Negociables Clase 12 (US\$15.3 million), Obligaciones Negociables Clase 13 (approximately AR\$895.3 million or US\$14.4 million) and Obligaciones Negociables Clase 14 (approximately AR\$314.6 million or US\$5.0 million). Additionally, on May CGC issued a new local Obligacion Negociable (Serie 15), amounting to AR\$1,352.5 (approximately US\$20 million) maturing in 15 months.
- ON Class 10 maturities correspond to five quarterly payments of US\$5.0 million each until July 2021.



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