

**CGC**

# 1H20 Results Presentation

August 2020

**CGC**

Empresa Petrolera

NO SMOKING

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# 1H20 Results Summary



CGC had a better than expected performance in a very challenging environment during the first half of the year.



**AR\$7.9 billion**

Cash Position as of June 30, 2020

**1.07x**

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

**AR\$1.6 billion**

Capex in 1H20

**US\$318.8 MM**

Net Debt as of June 30, 2020<sup>(3)(4)</sup>

(1) Includes crude oil and LPG production.

(2) Net Debt to Adjusted EBITDA

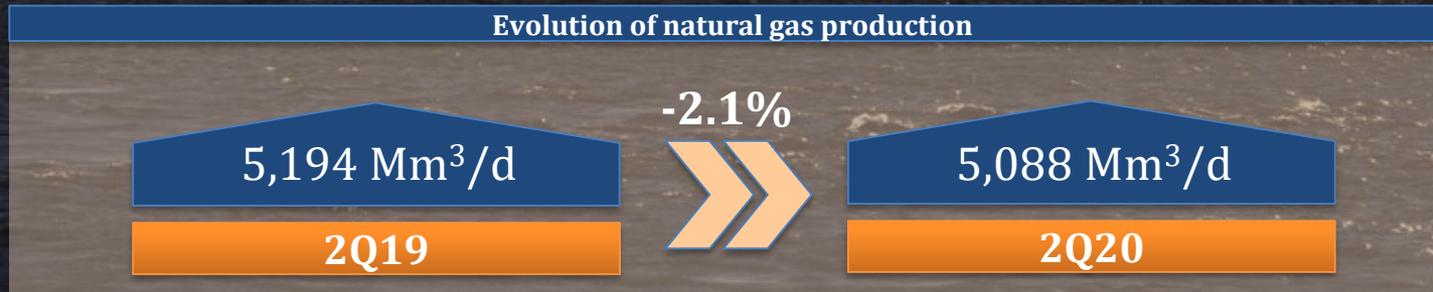
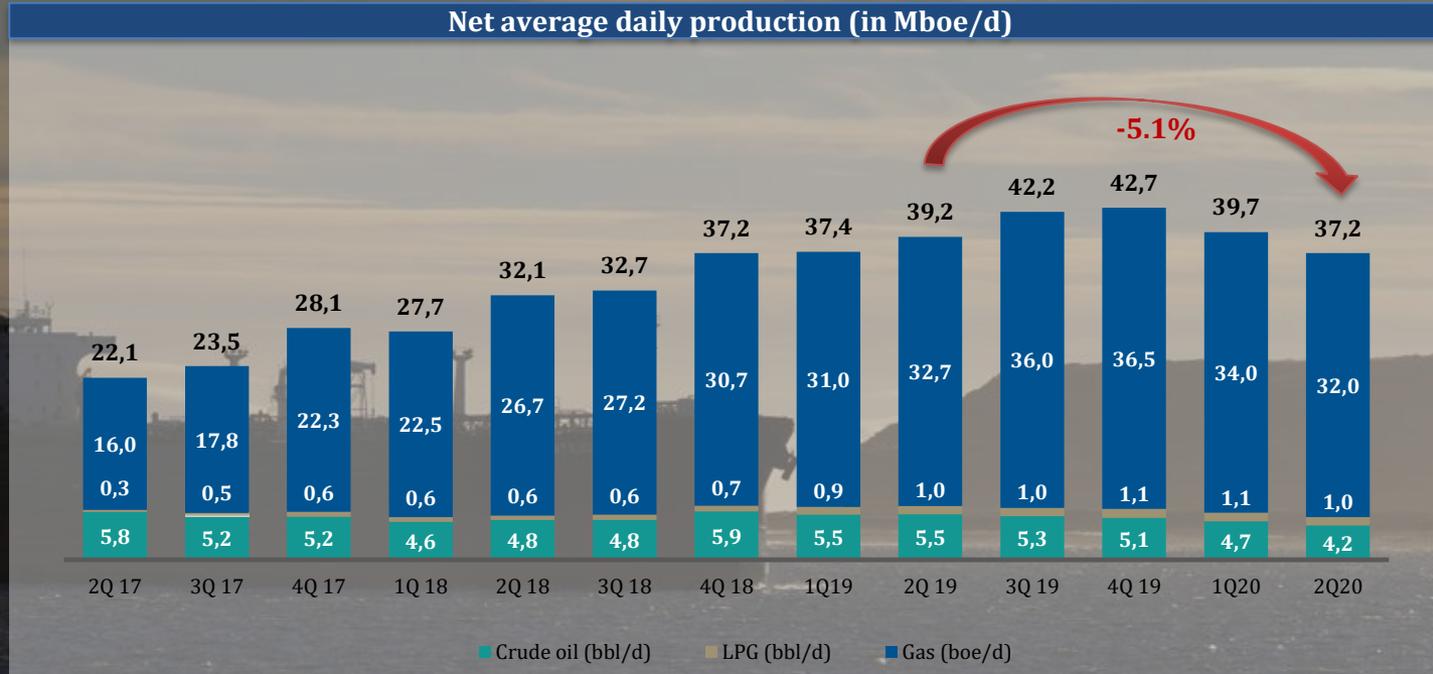
(3) Non-recourse ON Class 10 is not included. Considering this facility, Net Leverage Ratio is 1.14x.

(4) Figures in US\$ and AR\$ converted to US\$ using the following EoP exchange rate per US\$ 1.00: AR\$70.46, as of June 2020.

# 1H20 Production

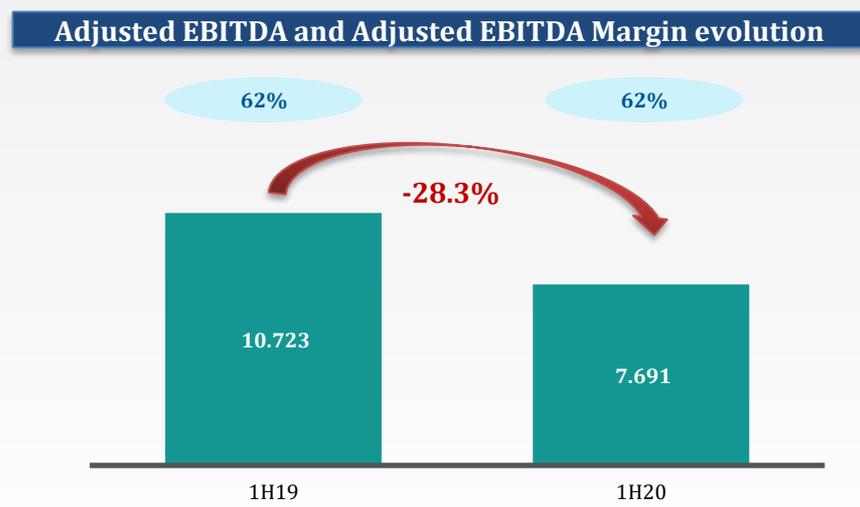
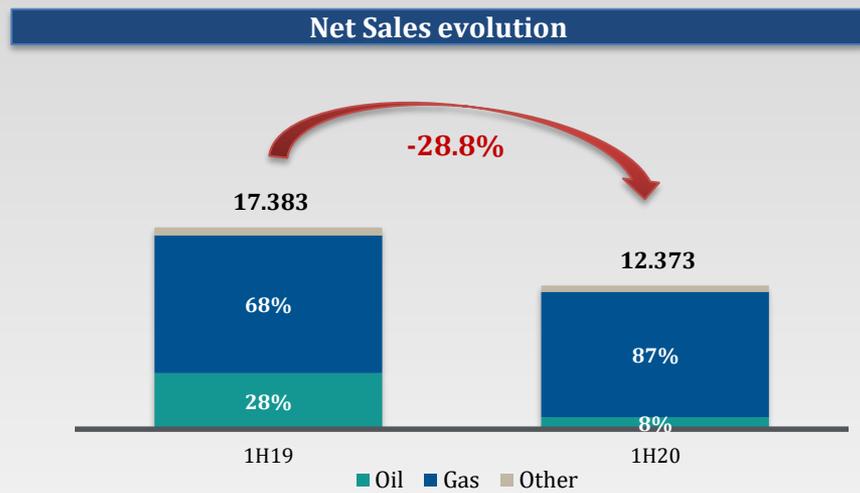
CGC's Total Production reached 37.2 Mboe/d in 2Q20, which represents a decrease of 5.1% in comparison with 2Q19, and an increase of 15.9% compared to 2Q18.

- Average gas production was 5,088 Mm<sup>3</sup> per day during 2Q20, which represented a decrease of 2.1% in comparison with 2Q19.
- Unconventional gas production represented 65% of CGC's total gas sales during 2Q20.
- Average oil production (crude + LPG) reached 824.8 m<sup>3</sup> per day during 2Q20, a decrease of 20.3% in comparison with 2Q19.



# 1H20 Net Sales and Adjusted EBITDA

Net Sales reached AR\$12,373.4 million (approximately USD175.6 million) a decrease of 28.8% compared to 1H19. Adjusted EBITDA amounted to AR\$7,690.6 million (approximately USD109.1 million) a 28.3% decrease in comparison with 1H19.<sup>(1)(2)</sup>



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

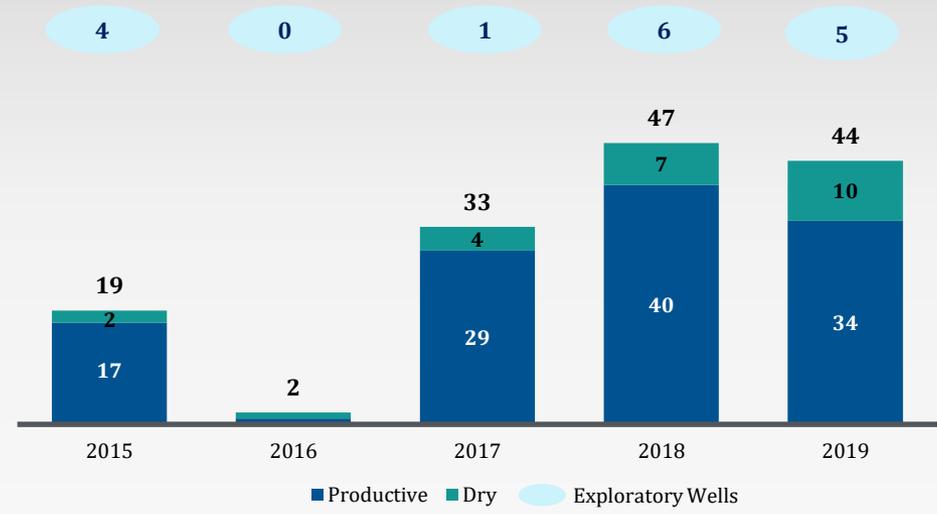
(2) Figures converted to US\$ using the following EoP exchange rate per US\$ 1.00: AR\$70.46, as of June 2020.

# 2019 Drilling Campaign

CGC drilled during 17 days in March 2020 until the lockdown and sanitary emergency was enforced, and was one of the first producers in Argentina to resume its drilling activity on June 2020.



## Wells Drilled evolution (2015 - 2019)



## Wells Drilled (2015 - 2019)

**145** Gross wells

**121** Productive wells

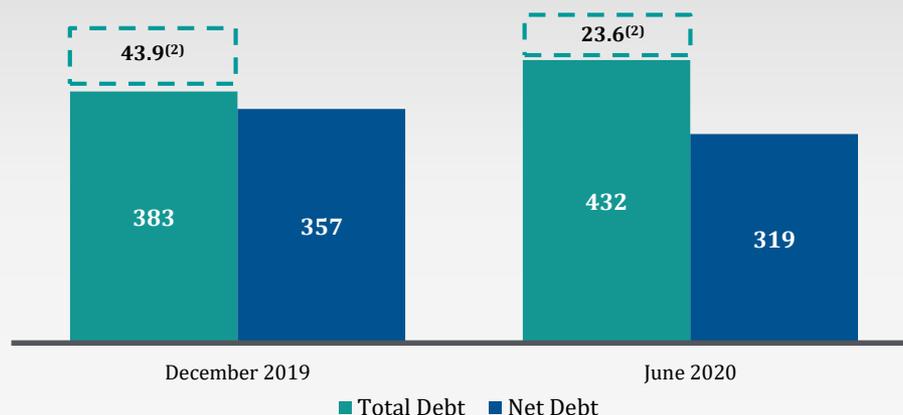
**83.4%** Success rate

# Debt & Leverage as of June, 2020

The Company has significantly reduced its net leverage since December 2017, and presents a solid interest coverage more than 7x.



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



Net Leverage Ratio	
June 2020	1.07x
December 2019	0.81x

Coverage Ratio <sup>(3)</sup>	
June 2020	7.37x
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\$70.46 as of June 30, 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 June, 2020

CGC is proactively working on the extension of its 2021's maturities.



## Debt Maturities (in US\$ million)

Average Life: 1.12 Years

Cash Position: AR\$7.9 billion

Average Cost: 9.61%



- The company issued three series of Local Bonds in March 2020: Obligaciones Negociables Clase 12 (US\$15.3 million), Obligaciones Negociables Clase 13 (US\$14.3 million) and Obligaciones Negociables Clase 14 (approximately AR\$314.6 million or US\$4.5 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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