

**CGC**

# CGC Investor Presentation

2021 Global Emerging Markets  
Corporate Conference  
J.P. Morgan

March 2021



# Disclaimer



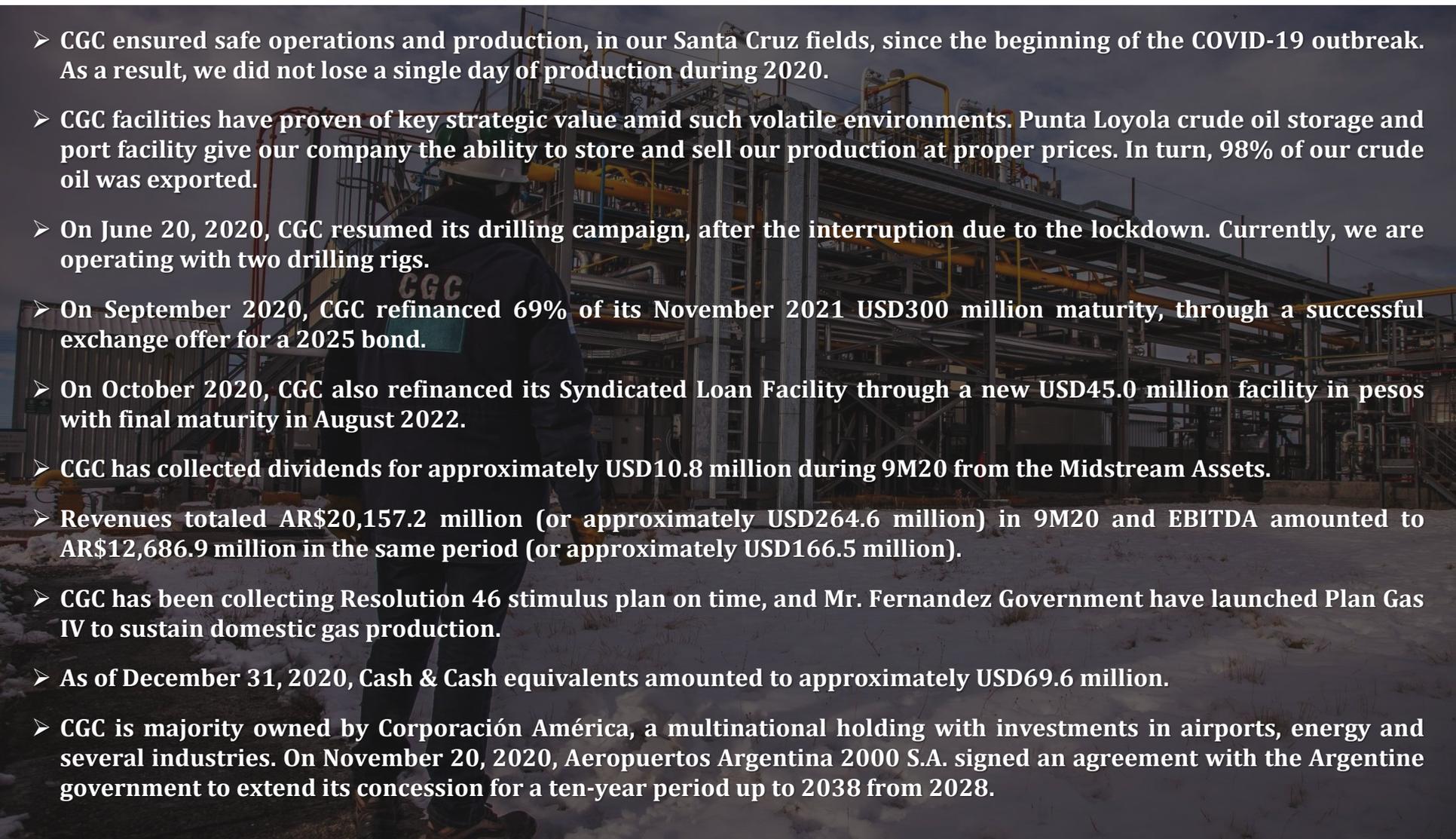
These materials have been prepared by Compañía General de Combustibles S.A. (the “Company”) and are being furnished to you solely for your information. The information contained in these materials has not been independently verified. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. It is not the intention to provide, and you may not rely on these materials as providing, a complete or comprehensive analysis of the Company’s financial position, operations or prospects. Some of the information is still in draft form and is subject to verification, finalization, and change. The information contained in these materials should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date of the presentation.

Certain statements contained in these materials constitute forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results, performance or achievements of the Company to be materially different from those expressed by, or implied by the forward-looking statements in these materials. There can be no assurance that the results and events contemplated by the forward-looking statements contained in these materials will in fact occur. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we operate and are not a guarantee of future performance. Such forward-looking statements speak only as of the date on which they are made. The Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

The information contained herein is for discussion purposes only and this presentation does not constitute or form part of, and should not be construed as constituting or forming part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company or of any other entity, nor shall any part of this document nor the fact of its distribution form part of or be relied on in connection with any contract or investment decision relating thereto, nor does it constitute a recommendation regarding any securities of the Company or of another entity.

# 2020 Highlights

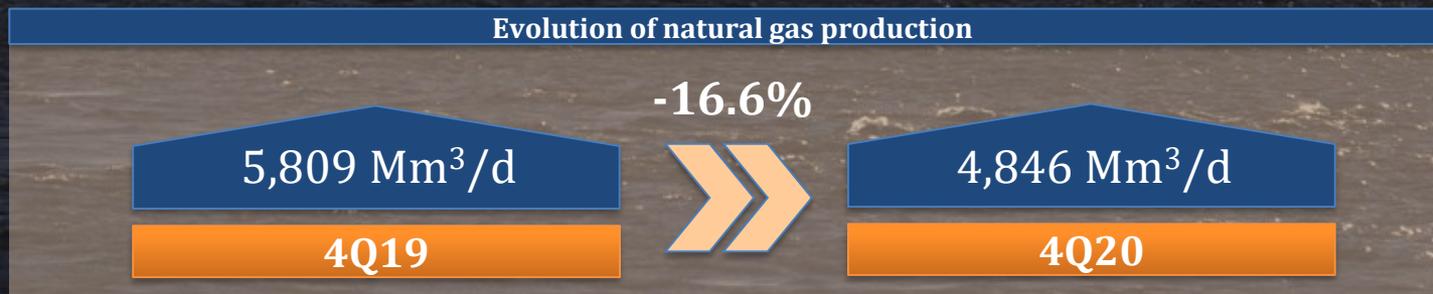
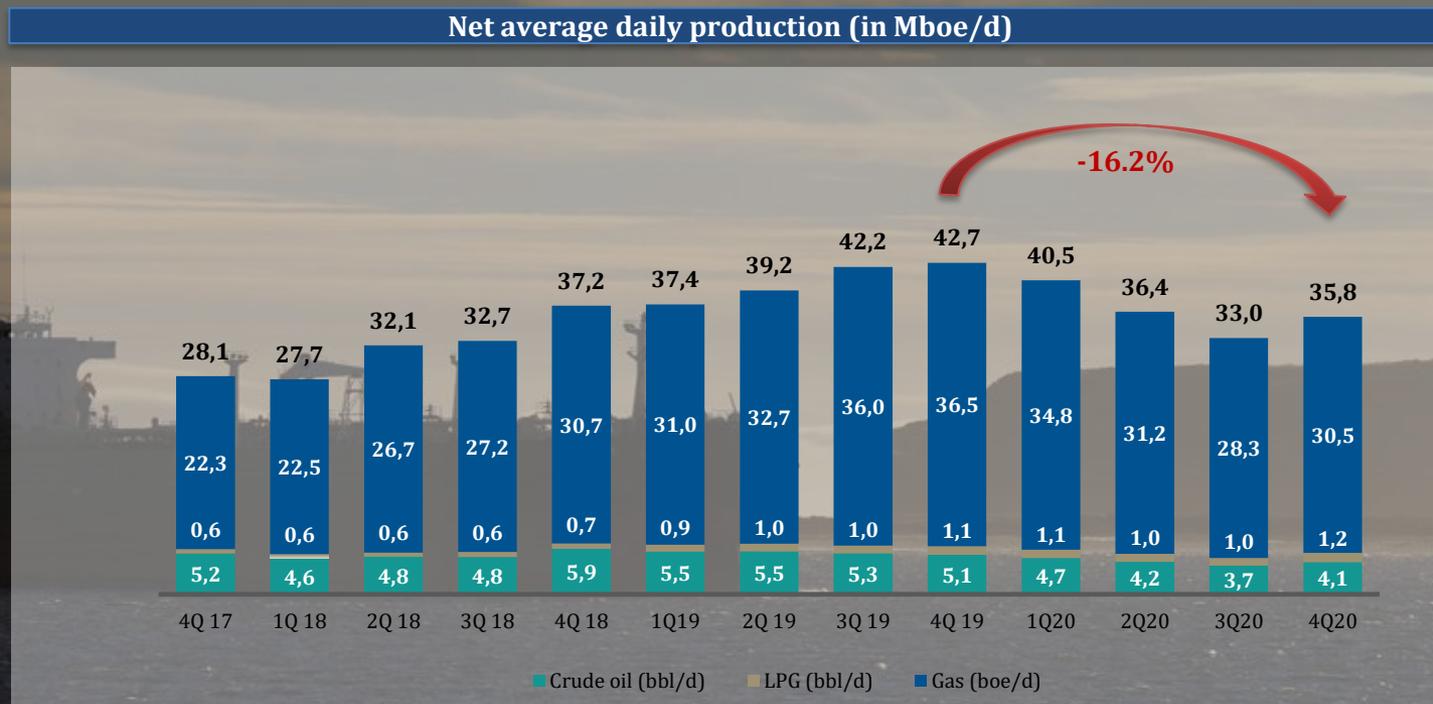
CGC had a strong operational and financial performance in a challenging year.

- 
- A background image showing an industrial facility, likely an oil or gas processing plant, with a worker in the foreground wearing a hard hat and a dark jacket with 'CGC' on the back. The worker is standing on a snowy or icy ground. The facility features complex piping, metal structures, and yellow safety railings.
- CGC ensured safe operations and production, in our Santa Cruz fields, since the beginning of the COVID-19 outbreak. As a result, we did not lose a single day of production during 2020.
  - CGC facilities have proven of key strategic value amid such volatile environments. Punta Loyola crude oil storage and port facility give our company the ability to store and sell our production at proper prices. In turn, 98% of our crude oil was exported.
  - On June 20, 2020, CGC resumed its drilling campaign, after the interruption due to the lockdown. Currently, we are operating with two drilling rigs.
  - On September 2020, CGC refinanced 69% of its November 2021 USD300 million maturity, through a successful exchange offer for a 2025 bond.
  - On October 2020, CGC also refinanced its Syndicated Loan Facility through a new USD45.0 million facility in pesos with final maturity in August 2022.
  - CGC has collected dividends for approximately USD10.8 million during 9M20 from the Midstream Assets.
  - Revenues totaled AR\$20,157.2 million (or approximately USD264.6 million) in 9M20 and EBITDA amounted to AR\$12,686.9 million in the same period (or approximately USD166.5 million).
  - CGC has been collecting Resolution 46 stimulus plan on time, and Mr. Fernandez Government have launched Plan Gas IV to sustain domestic gas production.
  - As of December 31, 2020, Cash & Cash equivalents amounted to approximately USD69.6 million.
  - CGC is majority owned by Corporación América, a multinational holding with investments in airports, energy and several industries. On November 20, 2020, Aeropuertos Argentina 2000 S.A. signed an agreement with the Argentine government to extend its concession for a ten-year period up to 2038 from 2028.

# 4Q20 Production

CGC's Total Production reached 35.8 Mboe/d in 4Q20, which represents a decrease of 16.2% in comparison with 4Q19, and a decrease of 3.8% compared to 4Q18.

- Average gas production was 4,846 Mm<sup>3</sup> per day during 4Q20, which represented a decrease of 16.6% in comparison with 4Q19.
- Unconventional gas production represented 70% of CGC's total gas sales during 4Q20.
- Average oil production (crude + LPG) reached 844.8 m<sup>3</sup> per day during 4Q20, a decrease of 14.1% in comparison with 4Q19.



# Oil & Gas Reserve base

CGC owns an attractive oil & gas reserve base of 2P reserves of 73.9 MMboe

Austral Basin's Reserves Profile as of December 31, 2020 <sup>(1)</sup>

Reserve Type	Oil (MMbbl)	Gas (Mmboe) <sup>(2)</sup>	Total (Mmboe)
1P Reserves	7.9	50.9	58.8
2P Reserves	10.2	63.7	73.9
3P Reserves	13.7	71.2	84.9

1P Reserves evolution <sup>(1) (2)</sup>



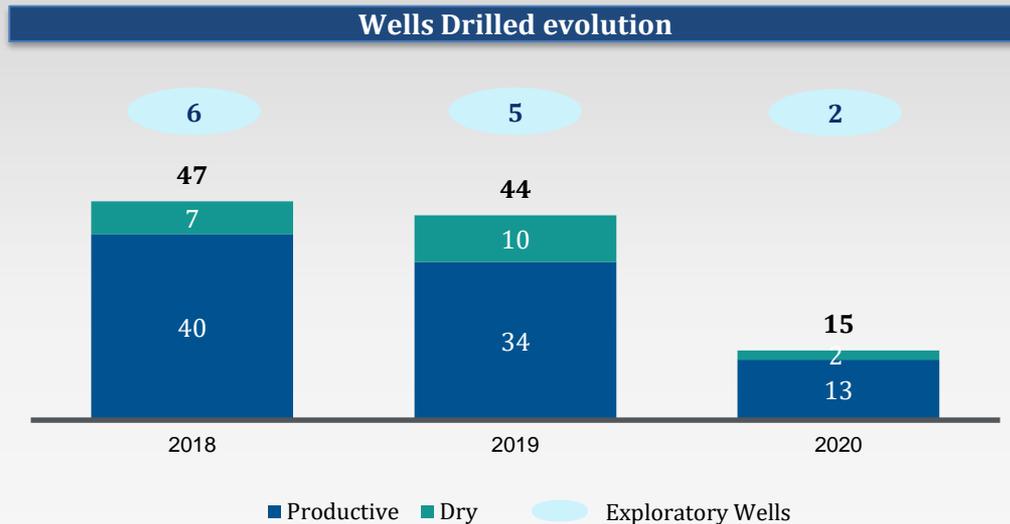
(1) Reserves calculation based on DeGolyer and MacNaughton report, as of December 2020.

(2) Gas reserves were estimated at their real calorific value.



# 2020 Drilling Campaign

Despite the mandatory lockdown and restrictions measures due by COVID-19, CGC drilled 15 wells in 2020 and was one of the first producers in Argentina to resume its activity on June 2020.



### Wells Drilled in 2020

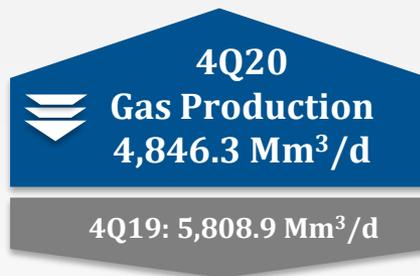
**13**  
Productive wells  
in 2020

- 87% Success rate
- 14 Gas wells
- 1 Oil well

# 3Q20 Results Summary



CGC had a strong operational and financial performance in a challenging year.



**USD69.6 MM**

Cash Position as of  
December 31, 2020 <sup>(4)</sup>

**1.17x**

Net Leverage Ratio as of  
September 30, 2020 <sup>(2)(3)</sup>

**AR\$3.5 billion**

Capex in 9M20

**USD317.2 MM**

Net Debt as of December 31,  
2020<sup>(3)(4)</sup>

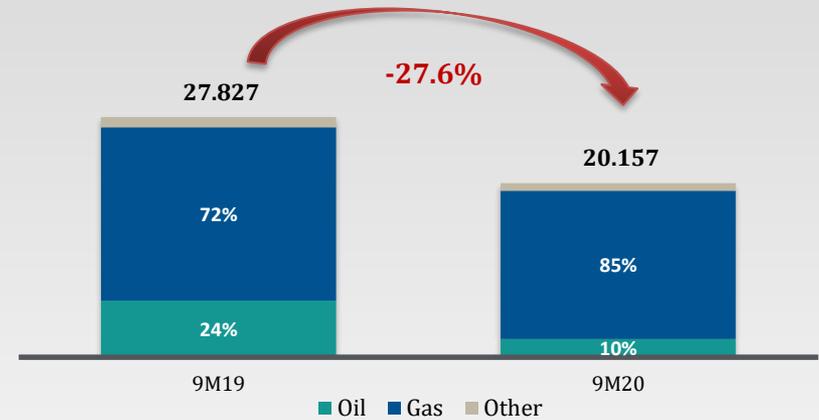
- (1) Includes crude oil and LPG production.
- (2) Net Debt to Adjusted EBITDA
- (3) Non-recourse ON Class 10 is not included. Considering this facility, Net Leverage Ratio is 1.23x.
- (4) Figures converted to US\$ using the following EoP exchange rate per US\$ 1.00: AR\$84.15, as of December 31, 2020.

# 9M20 Net Sales and Adjusted EBITDA

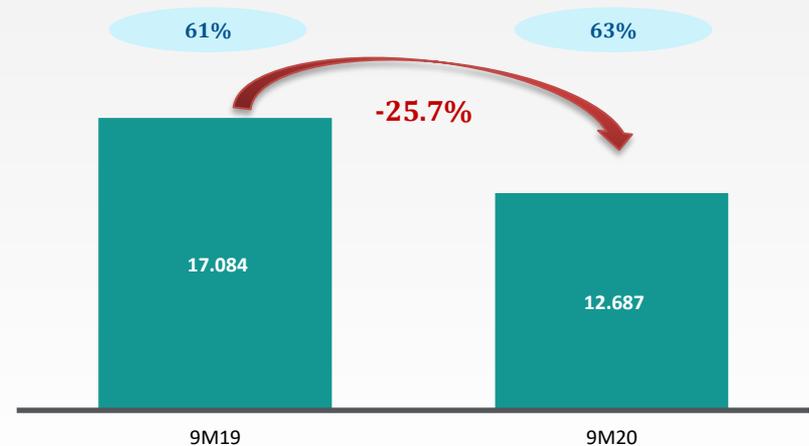
Net Sales reached AR\$20,157.2 million (approximately USD264.6 million) a decrease of 27.6% compared to 9M19. Adjusted EBITDA amounted to AR\$12,686.9 million (approximately USD166.5 million) a 25.7% decrease in comparison with 9M19.<sup>(1)(2)</sup>



## Net Sales evolution (AR\$ million)



## Adjusted EBITDA evolution (AR\$ million and % margin)



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

(2) Figures converted to US\$ using the following EoP exchange rate per US\$ 1.00: AR\$76,18, as of September 2020.

# Debt profile as of December 31, 2020



CGC does not face significant maturities until 4Q21



## Debt Maturities (in US\$ million)

**Total Debt: USD399.3 million**

**Average Life: 2.03 Years**

**Average Cost: 9.09%**



□ 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\$4.1 million). On May CGC issued a local Obligacion Negociable (Serie 15) amounting to approximately US\$20 million, maturing in 15 months. Additionally, on November the Company issued a new local Obligacion Negociable (Serie 18) amounting to US\$20 million, maturing in 24 months.



**Annex**

# Debt & Leverage as of September 30, 2020

The Company has significantly reduced its financial debt during 3Q20 to USD391 million, an 11% decrease compared to 2Q20.



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



Net Leverage Ratio		Coverage Ratio <sup>(3)</sup>	
September 2020	1.17x	September 2020	5.74x
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\$76.18 as of September 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.



# CGC Investor Presentation

**Compañía General de Combustibles S.A.**

Argentina. Honduras 5663 2nd Floor C1414BNE, Buenos Aires  
[investors@cgc.com.ar](mailto:investors@cgc.com.ar)

[www.cgc.energy](http://www.cgc.energy)