



Compañía General de Combustibles S.A. announced its audited results for the twelve-month period ended December 31, 2020

Buenos Aires, March 31, 2021 - Compañía General de Combustibles S.A. ("CGC"), a leading energy company with operations in Argentina, announced its audited results for the twelve-month period ended December 31, 2020.

Consolidated financial figures are expressed in Pesos, and presented in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standard Board (IASB).

Financial information prepared in accordance with IAS 29 is not comparable with financial information prepared for prior periods in nominal terms.¹ The Company presents certain figures in U.S. dollars in this release solely for the convenience of the reader.²

For more information, please see CGC's 2020 audited consolidated Financial Statements.

Full-Year 2020 Key Highlights ³

- Daily average gas production amounted to 4,973.9 Mm³ in 2020, which represented a decrease of 8% compared to 2019. In turn, daily average oil production (crude + LPG) reached 833.1 m³ in 2020, a decrease of 17% compared to 2019.
- Revenues totaled AR\$31,285.6 million (or approximately USD371.8 million) in 2020 compared with AR\$42,041.2 million in 2019. Revenues were down 25.6% year-over-year in 2020.
- Total Adjusted EBITDA (including dividends collected) amounted to AR\$19,191.2 million (or approximately USD228.1 million) in 2020, which represents a decrease of 24.4% compared to AR\$25,377.5 million in 2019. EBITDA Margin was 61% in 2020.
- CapEx reached AR\$6,836.7 million (or approximately USD81.2 million) in 2020, compared with AR\$14,928.0 million in 2019.
- On September 2020, CGC refinanced 69% of its USD300 million Senior Notes due November 2021, through a successful exchange offer for a 2025 bond. On January 2021, the Central Bank formally confirmed that CGC complies with "Com A 7106" and the more recent "Com A 7230", granting access to BCRA's dollars for all its maturities during 2021.

¹ CGC's audited results are disclosed in constant currency as of December 31, 2020, including the comparative figures of the twelve-month period ended December 31, in accordance with the IAS 29 regarding financial information in hyperinflationary economies and General Res. No. 777/2018, issued by the Argentine National Securities and Exchange Commission ('CNV').

² For further details, please refer to note "AR\$ / USD Conversion" on page 7.

³ Figures were converted to USD using the following EoP exchange rate per USD 1.00: AR\$84.15 for 2020.



- As of December 31, 2020, Cash & Cash Equivalents amounted to AR\$5,853.4 million (approximately USD69.6 million).
- Net Leverage Ratio as of December 31, 2020 remained low at 1.29x.¹

	2020 IAS 29
Exchange Rate AR\$/USD	
Average	70.63
End of Period (EoP)	84.15
Figures in USD million	
Revenues	371.8
Adjusted EBITDA	228.1
CAPEX	81.2
Cash & Equivalents	69.6

¹ Net Leverage Ratio calculated in accordance with the Indenture for CGC's 2021 & 2025 Senior Notes.



Brief Overview¹

The Company resumed its drilling activity on March 1, 2020 with one drilling rig and one workover rig, until March 18, 2020 when all investment activity ceased due to the lockdown and sanitary emergency decree issued by the National Government.

On June 20, 2020, CGC was one of the first producers in Argentina to resume its drilling campaign. Additionally, the Company added a second drilling rig during the last quarter of 2020, in order to compensate for the months with virtually no drilling activity. It is expected that this additional rig will operate until mid-2021.

During 2020, CGC drilled 15 wells (two of which were exploratory), with a total success rate of 87%.

Total daily average production reached 36.5 Mboe during 2020, of which 85.7% corresponded to natural gas, 11.4% to crude oil and 2.9% to LPG. Daily average gas production amounted to 4,973.9 Mm³ in 2020, which represented a decrease of 8.1% compared to 2019. In turn, daily average oil production (crude + LPG) reached 833.1 m³ in 2020, a decrease of 17.4% compared to 2019.

In 2020, CGC posted a Reserve Replacement ratio of 104% in natural gas and of 74% in crude oil for its areas in the Austral Basin, with 1P reserves of 58.8 MMboe, remaining constant in comparison with 2019. Reserves in the Austral Basin were audited by DeGolyer and MacNaughton, as of December 2020.

Revenues for 2020 amounted to AR\$31,285.6 million (or approximately USD371.8 million), of which 83% corresponded to natural gas, 13% to oil (crude + LPG) and the remainder corresponded to services (related to the storage and port facilities in Punta Loyola). During this period, 98% of CGC's crude oil sales corresponded to exports.

Revenues were down 25.6% year-over-year in 2020, mostly because of lower production volumes (due to the effect of the lockdown restrictions on the drilling campaign) and because of lower crude oil prices.

Revenue Breakdown	2020 (IAS 29)		2019 (IAS 29)	
	ARS million	% of total	ARS million	% of total
Crude Oil	4.117,0	13%	9.874,7	23%
Gas	25.825,1	83%	30.363,1	72%
Other	1.343,5	4%	1.803,4	4%
Total	31.285,6	100%	42.041,2	100%

Adjusted EBITDA for 2020 amounted to AR\$19,191.2 million (or approximately USD228.1 million), which represented a decrease of 24.4% from AR\$25,377.5 million in 2019.

Despite the challenging context for the Oil & Gas industry in general, the Company was able to maintain solid and healthy margins. Remarkably, Adjusted EBITDA margin improved to

¹ Figures were converted to USD using the following EoP exchange rate per USD 1.00: AR\$84.15 for 2020.



61% in 2020, compared with 60% in 2019. Gross profit margin decrease slightly to 39% in 2020, in comparison with 40% in 2019. Net profit margin reached 0% in 2020, compared to 15% in 2019.

	2020 IAS29	2019 IAS29
Adjusted EBITDA Mg.	61%	60%
Gross profit Mg.	39%	40%
Net profit Mg.	0%	15%

CapEx reached AR\$6,836.7 million (or approximately USD81.2 million) in 2020, compared with AR\$14,928.0 million in 2019.

Cash & Cash Equivalents as of December 31, 2020 amounted to AR\$5,853.4 million or approximately USD69.6 million.

Additionally, as of December 31, 2020, the Company's total financial debt amounted to AR\$ 32,522.4 million or approximately USD386.5 million (99% denominated in USD). Net Leverage Ratio remained low at 1.29x, and Interest Coverage Ratio at 8.03x.¹

CGC's limited-recourse local bond ON Class 10 total outstanding as of December 31, 2020 was USD12.6 million. Total financial debt including this local bond amounted to AR\$33,579.3 million or approximately USD399.0 million, which represents a decrease of 6.6% compared to 2019. Net leverage ratio considering ON Class 10 was 1.34x, and interest coverage ratio was 7.75x.²

Exchange Offer of CGC Class "A" Notes

On August 6, 2020, CGC launched the exchange offer of its Class "A" Notes at a fixed rate of 9.5% per year with maturity in 2021, for Class 17 Notes, redeemable at a fixed rate of 9.5% per year with maturity in 2025.

Pursuant to the provisions of the Exchange Offer Document, eligible holders who validly present their existing Notes received for each USD1,000.0 of nominal value a Note of USD950.0, and an early cash payment of USD100.0.

On September 8, 2020, CGC's exchange offer ended, reaching a total participation of 68.87% of the creditors. As a result of this transaction, USD196.1 million Class 17 Notes were issued and settled for those creditors who accepted the exchange, resulting in a total of USD93.4 million of Class "A" Notes outstanding. In addition, USD27.4 million were paid in cash

¹ Net Leverage Ratio calculated in accordance with the Indenture for CGC's 2021 & 2025 Senior Notes.

² Net Leverage Ratio and Interest Coverage Ratio calculated including ON Class 10 bond and dividends from CGC's midstream assets.



(including USD6.5 million in interest accrued at that date), for those creditors who accepted the exchange.

The new Class 17 Notes will be amortized in six semi-annual installments: the first five installments amount to USD26.1 million, maturing on September 8, 2022, March 8, and September 8, 2023, March 8, and September 8, 2024, and the last installment amounts to USD65.7 million, maturing on March 8, 2025. The interest of the Class 17 Notes will be payable semiannually in March and September.

Central Bank's Communication "A" 7106 & "A" 7230

On January 2021, the Central Bank formally confirmed that CGC complies with Communication "A" 7106 and the more recent Communication "A" 7230, granting access to BCRA's dollars for all its maturities during 2021.

Local Bond Issuances

On March 5, 2020, CGC issued three local Obligaciones Negociables, amounting to approximately USD34 million, to enhance the company's liquidity and refinance short term maturities. Both Series 12, amounting to USD15.3 million, and Series 13, amounting to USD14.3 million, mature in 15 months. Series 14, amounting to AR\$314.6 million, matures in 12 months.

On May 21, CGC issued another local bond (Obligación Negociable Serie 15), amounting to USD19.9 million maturing in 15 months, to enhance the company's liquidity and refinance short term maturities.

Additionally, on November 20 CGC issued another local bond (Obligación Negociable Serie 18), amounting to USD20.0 million maturing in 24 months, to enhance the company's liquidity and refinance short term maturities.

For more information, please see our CNV filing/recent developments.

USD Syndicated Loan Refinancing

On October 7, 2020, CGC entered into a Syndicated Loan Agreement in pesos with Citibank, ICBC, Santander and Galicia for up to the equivalent amount of USD45.0 million.

The proceeds will be used to refinance the USD Syndicated Loan Agreement signed by CGC on May 21, 2019. The loan will be paid in three disbursements on or before November 24, 2020, on or before February 22, 2021, and on or before May 21, 2021, respectively. The loan



will be repaid in five equal, quarterly and consecutive installments, from August 24, 2021 to August 24, 2022.

Additionally, on September 30, 2020, CGC had early amortized principal for USD9.0 million. The first disbursement of the facility took place on February 22, 2021. To date, the outstanding amount of the Syndicated Loan is USD12.0 million, to be settled with the funds received from the Syndicated Loan informed in the preceding paragraph.

Dividends Collected

CGC has collected approximately USD11.4 million during 2020 in dividends from the Midstream Business. CGC indirectly owns 28.2% of TGN, mainly through its investment in Gasinvest S.A, 40.1% in GasAndes and 15.8% in TGM.

Dividends Paid

On October 30, 2020, CGC's shareholders meeting approved the distribution of AR\$313.2 million, equivalent of USD4.0 million. There were paid on November 5, 2020.



AR\$ / USD Conversion

The Company presented certain figures converted from pesos to U.S. dollars for comparative purposes. The exchange rate used to convert financial figures disclosed in pesos (as of December 31, 2020) to U.S. dollars was the seller exchange rate for wire transfers (divisas) as of the close of business, as reported by Banco de la Nación Argentina, as of December 31, 2020. The information presented in U.S. dollars is for the convenience of the reader only.

About Compañía General de Combustibles S.A.

CGC is a leading energy company with operations in Argentina, engaged principally in the development, production and exploration of natural gas, crude oil, LPG (Upstream business) and with a significant interest in a network of pipelines in northern and central Argentina, with direct and indirect co-controlling stakes in Transportadora de Gas del Norte (“TGN”), Gasoducto GasAndes Argentina, Gasoducto GasAndes (“GasAndes”), and a minority stake in Transportadora de Gas del Mercosur (“TGM”) (Midstream business). For more information, visit <http://cgc.energy/>.

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