

## Tecpetrol S.A. announces results for the three and six-month period ended on June 30, 2020

### Summary and analysis of results for the three-month period ended on June 30, 2020

	<b>Second quarter 2020</b>	<b>Second quarter 2019</b>	<b>%</b>
<b>Production (equivalent Mm<sup>3</sup>) (*)</b>	1,208	1,587	(24%)
<b>Net sales (ARS millions)</b>	15,236.4	15,618.2	(2%)
<b>Operating profit (ARS millions)</b>	746.7	5,028.5	(85%)
<b>EBITDA (ARS millions)</b>	10,145.8	10,612.1	(4%)
<b>Net (loss) profit (ARS millions)</b>	(1,364.7)	1,945	(170%)

Total production for the second quarter of 2020 reached 1,208 Mm<sup>3</sup>, compared to 1,587 Mm<sup>3</sup> in the same period of the previous year. The fall in production was mainly caused by the impact of the economic global crisis generated by COVID-19 pandemic.

The decrease of the operating profit and EBITDA in the second quarter of 2020 compared to the second quarter of 2019 for ARS 4,281.8 million and ARS 466.3 million respectively, is mainly explained by decrease in net sales as a result by fewer deliveries of gas and oil, a drop in average sales prices and for recognized impairment charge and write-offs of exploratory wells in Property, plant and equipment.

Net loss for the second quarter of 2020 totaled loss ARS 1,364.7 million, compared to a profit of ARS 1,945 million for the same period of the previous year. This variation is mainly explained by the decrease in the operating profit and the increase in loss exchange differences on balances in ARS.

### Summary and analysis of results for the six-month period ended on June 30, 2020

	<b>6 months 2020</b>	<b>6 months 2019</b>	<b>%</b>
<b>Production (equivalent Mm<sup>3</sup>)(*)</b>	2,505	3,199	(22%)
<b>Net sales (ARS millions)</b>	31,579	28,948.5	9%
<b>Operating profit (ARS millions)</b>	5,806.7	9,090	(36%)
<b>EBITDA (ARS millions)</b>	21,612.4	19,635.5	10%
<b>Net profit (ARS millions)</b>	843.6	4,267.2	(80%)

Total production for the six-month period ended on June,30 2020 reached 2,505 Mm<sup>3</sup>, compared to 3,199 Mm<sup>3</sup> in the same period of the previous year. The fall in production was mainly caused by the impact of the economic global crisis generated by COVID-19 pandemic.

(\*) Volumetric equivalence (1,000 m<sup>3</sup> of gas = 1 m<sup>3</sup> of oil)



The decrease of the operating profit in the first half of 2020 compared to the first half of 2019 for ARS 3,283.3 million is mainly explained by decrease in net sales as a result by fewer deliveries of gas and oil, a drop in average sales prices and for recognized impairment charge and write-offs of exploratory wells in Property, plant and equipment. The increase of EBITDA in the first half of 2020 compared to the first half of 2019 for ARS 1,976.9 million is mainly explained by the variation in exchanges rate, which was partially offset by decrease in net profit.

Net profit for the six-month period ended on June, 30 2020 totaled ARS 843.6 million, compared to a profit ARS 4,267.2 million for the same period of the previous year. The variation is mainly explained by the decrease in the operating profit mentioned in the previous paragraph, as well as an increase in net losses generated by exchange differences on the balances in ARS, partially offset by a decrease in interest due to fewer borrowings and the impact of income tax.

#### Liquidity and cash flows

Investments in Property, plant and equipment during the six-month of 2020, net of unpaid of unpaid acquisitions at the end of such period, reached ARS 2,857.7 million, mainly from the Fortín de Piedra area.

At June 30, 2020, net debt (Net Debt = borrowings - cash and cash equivalents) totaled ARS 77,716.9 million. At December 31, 2019, net debt totaled ARS 78,079.3 million. The decrease in net debt in the six-month ended on June 30, 2020 is mainly explained by cancellations in capital and interest during the period which were greater than the new borrowings obtained and the issuance of Class 2 and 3 Negotiable Obligations.