

**Tecpetrol S.A. announces results for the three and six-month period ended on June 30, 2021**

Summary and analysis of results for the three-month period ended on June 30, 2021

	<b>Second quarter 2021</b>	<b>Second quarter 2020</b>	<b>%</b>
Production (equivalent Mm <sup>3</sup> ) (*)	1,316	1,208	9%
Net sales (ARS millions)	26,107	15,236	71%
Operating profit (ARS millions)	9,307	747	1,146%
EBITDA (ARS millions)	17,624	10,146	74%
Net profit (loss) (ARS millions)	5,126	(1,365)	476%

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

The Interim Condensed Financial Statements are prepared using the functional currency of the Company (USD) and then are translated into ARS for its presentation. Therefore, the following explanations are based on changes in the functional currency.

Total production for the second quarter of 2021 reached 1,316 Mm<sup>3</sup>, representing an increase of 9% compared to 1,208 Mm<sup>3</sup> in the same period of the previous year.

Net sales increased ARS 10,871 million compared to the same period of the previous year, as a consequence of an increase in the production of gas and oil, and an increase in average crude sales prices, all of which was partially offset by a drop in average gas sales prices.

Operating costs increased 33% compared to the second quarter of the previous year, which is mainly explained by an increase in maintenance operations and wells service activities and in royalty expenses, as a consequence of the increase in production and the conversion into the presentation currency, all of which was partially offset by a decrease in impairment charges for Property, plant and equipment recognized in the same period of 2020.

Operating profit increased by ARS 8,560 million compared to the second quarter of 2020. This variation is mainly explained by an increase in the gross margin, as a consequence of the abovementioned variations and a decrease in selling expenses mainly because of an allowance for doubtful accounts recovery.



Net profit for the second quarter of 2021 totaled ARS 5,126 million, compared to a loss of ARS 1,365 million for the same period of the previous year. This variation is primarily explained by: (i) the aforementioned increase in operating profit, (ii) net financial profit, primarily explained by an increase in interest income generated mainly by short-term deposits, profits (losses) from purchasing/selling and holding of other investments and a decrease in net losses generated by exchange differences on balances in ARS, all of which was partially offset by losses from derivative financial instruments and profits (losses) from the repurchase of negotiable obligations and; (iii) an increase in income tax expense (loss), caused by fluctuations in sales, costs and other expenses already mentioned, the new income tax rates that took place in the second quarter of 2021, the tax inflation adjustment and the effect of the exchange rate fluctuation upon tax balances.

Summary and analysis of results for the six-month period ended on June 30, 2021

	<b>6 months 2021</b>	<b>6 months 2020</b>	<b>%</b>
Production (equivalent Mm3)(*)	2,502	2,505	(0.1%)
Net sales (ARS millions)	47,799	31,579	51%
Operating profit (ARS millions)	20,575	5,807	254%
EBITDA (ARS millions)	33,795	21,612	56%
Net profit (ARS millions)	9,239	844	995%

Total production for the six-month period ended on June,30 2021 reached 2,502 Mm<sup>3</sup>, compared to 2,505 Mm<sup>3</sup> in the same period of the previous year.

Net sales increased compared to the same period of the previous year, as a consequence of an increase in average crude sales prices, all of which was partially offset by a drop in average gas sales prices.

Operating costs increased 24% compared to the six-months of the previous year, which is mainly explained by an increase in the conversion into the presentation currency, all of which was partially offset by a decrease in impairment and depreciation charges for Property, plant and equipment recognized in the same period of 2020.

Operating profit increased by ARS 14,768 million compared to the six-months of 2020. This variation is mainly explained by an increase in the gross margin, as a consequence of the abovementioned variations and a decrease in selling expenses mainly because of an allowance for doubtful accounts recovery.



Net profit for the first six-months of 2021 totaled ARS 9,239 million, compared to a profit of ARS 844 million for the same period of the previous year. This variation is primarily explained by the aforementioned increase in operating profit, which was partially offset by: (i) an increase in loss generated in net financial profit (loss), which is primarily explained by an increase in net losses generated by exchange differences on balances in ARS, losses from derivative financial instruments, and profits and losses from the repurchase of negotiable obligations, all of which was partially offset by an increase in interest income from short-term deposits and profits (losses) from the purchase/sale and holding of other investments and; (ii) an increase in income tax expense, caused by fluctuations in sales, costs and other expenses already mentioned, the new income tax rates that took place in the second quarter of 2021, the tax inflation adjustment and the effect of the exchange rate fluctuation upon tax balances.

#### Financial Debts

At June 30, 2021, net debt (being Net Debt = Financial Debt - Cash and cash equivalents and Other Investments) totaled ARS 63,003.6 million. At December 31, 2020, net debt amounted to ARS 73,872.3 million.

#### Investments

Investments in Property, plant and equipment during the first six-month period on 2021, reached ARS 14,432.3 million, mainly from Fortín de Piedra area.