



"Free translation from the original prepared in Spanish for publication in Argentina"

**CAPEX S.A.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**As of January 31, 2020 stated in thousands of pesos and presented in comparative form**



"Free translation from the original prepared in Spanish for publication in Argentina"

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**SUMMARY OF ACTIVITY**

**REVIEW REPORT OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**REPORT OF THE SYNDICS' COMMITTEE ON THE CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**



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## NOMENCLATURE

### Currency

Terms	Description
\$	Argentine peso
€	Euro
US\$	United States dollar

### Glossary of Terms

Terms	Description
Bbl	Barrel
BTU	British thermal unit
CC	Combined cycle
CNV	National Securities Commission
CSJN	Supreme Court of Justice
CT ADC	Agua del Cajón Power Plant
CVP	Variable production cost
FACPCE	Argentine Federation of Professional Councils in Economic Sciences
GWh	Gigawatts per hour
IASB	International Accounting Standards Board
Km	Kilometer
km <sup>2</sup>	Square kilometer
KW	Kilowatt
LVFVD	Sales settlement with maturity to be defined
m <sup>3</sup>	Cubic meter
MMBTU	Million British thermal unit
WEM	Wholesale Electricity Market
Mm <sup>3</sup>	Thousand cubic meters
MMm <sup>3</sup>	Million cubic meters
MMMm <sup>3</sup>	Billion cubic meters
Mtn	Thousands of tons
MW	Megawatt
NCP ARG	Professional Accounting Standards prevailing prior to IFRS
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
Nm <sup>3</sup>	Standard cubic meter
OyM	Operation and Maintenance
DEEF	Diadema Eolic Energy Farm
RECPAM	Purchasing power parity
Tn	Ton
V/N	Nominal value
WTI	West Texas Intermediate



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## **BOARD OF DIRECTORS AND SYNDICS' COMMITTEE**

### **Chairman**

Mr. Alejandro Götz

### **Vice-chairman**

Mr. Pablo Alfredo Götz

### **Directors**

Mr. Rafael Andrés Götz

Mrs. Lidia Argentina Guinzburg

Mrs. Marilina Manteiga

### **Alternate directors**

Mr. Ernesto Grandolini

Mr. Miguel Fernando Götz

Mr. René Balestra

### **Statutory Syndics**

Mr. Norberto Luis Feoli

Mr. Edgardo Giudicessi

Mr. Mario Árraga Penido

### **Alternate Syndics**

Mrs. Claudia Marina Valongo

Mrs. Andrea Mariana Casas

Mrs. Claudia Angélica Briones



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## CAPEX S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended January 31, 2020 presented in comparative form

Fiscal year No. 32 commenced on May 1, 2019

Company legal domicile: Córdoba Av. 948/950, 5th floor, apartment C, City of Buenos Aires

Company main activity: Generation of electricity

Registration number with the Superintendence of Commercial Companies: 1,507,527

Date of by-laws: December 26, 1988

Date of the latest registration with the Public Registry of Commerce:

- Latest amendment: September 30, 2005

Duration of Company: December 26, 2087

Name of parent company: Compañías Asociadas Petroleras Sociedad Anónima (C.A.P.S.A.)

Legal domicile: Córdoba Av. 948/950, 5<sup>th</sup> floor, apartment C, City of Buenos Aires

Main activity: Exploitation of hydrocarbons

Participation of parent company in capital stock and votes: 75.4%

### CAPITAL STOCK

Type of shares	Subscribed, paid-in and registered with the Public Registry of Commerce Thousands of \$
179,802,282 ordinary, book-entry Class "A" shares of \$ 1 par value and one vote each, authorized to be placed for public offering	179,802

Alejandro Götz  
Chairman



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**Condensed Interim Consolidated Statement of Financial Position**  
As of January 31, 2020 and April 30, 2019  
Stated in thousands of pesos

	<b>Note/ Exhibit</b>	<b>01.31.2020</b>	<b>04.30.2019</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	<b>9 / A</b>	29,893,143	31,889,100
Spare parts and materials		936,684	945,434
Net deferred tax assets	<b>10</b>	98,209	17,070
Right of use asset	<b>11</b>	253,856	-
Financial investments at fair value with changes in other comprehensive income	<b>D</b>	8,075,516	-
Other accounts receivable	<b>12</b>	-	6,915
<b>Total Non-Current Assets</b>		<b>39,257,408</b>	<b>32,858,519</b>
<b>CURRENT ASSETS</b>			
Spare parts and materials		268,101	275,893
Inventories		674,065	13,626
Other accounts receivable	<b>12</b>	1,748,421	1,227,855
Trade accounts receivable	<b>13</b>	2,693,326	2,432,608
Cash and cash equivalents	<b>14</b>	2,476,824	11,886,059
<b>Total Current Assets</b>		<b>7,860,737</b>	<b>15,836,041</b>
<b>Total Assets</b>		<b>47,118,145</b>	<b>48,694,560</b>

The accompanying Notes 1 to 27 and Exhibits A and D to H form an integral part of these condensed interim consolidated financial statements.

Alejandro Götz  
Chairman



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**Condensed Interim Consolidated Statements of Financial Position**

As of January 31, 2020 and April 30, 2019

Stated in thousands of pesos

	Note / Exhibit	01.31.2020	04.30.2019
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Capital stock		179,802	179,802
Capital adjustment		3,735,578	3,735,578
Additional paid-in capital		79,686	79,686
Adjustment additional paid-in capital		1,655,562	1,655,562
Legal reserve		326,851	90,330
Free reserve		7,276,334	2,782,431
Reserve for investments at fair value		5,711	-
Reserve for assets revaluation	15	2,787,978	1,806,501
Unappropriated retained earning		2,578,308	8,496,410
<b>Total shareholders' equity attributable to shareholders</b>		<b>18,625,810</b>	<b>18,826,300</b>
Non-controlling interest		102,119	117,248
<b>Total shareholders' equity</b>		<b>18,727,929</b>	<b>18,943,548</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Trade accounts payable	16	1,948,598	1,669,676
Financial liabilities	17	18,132,078	18,020,292
Net deferred tax liabilities	10	2,532,423	3,651,184
Taxes payable		856,460	632,878
Provisions and other charges	E	2,480	3,374
<b>Total non-current liabilities</b>		<b>23,472,039</b>	<b>23,977,404</b>
<b>CURRENT LIABILITIES</b>			
Trade accounts payable	16	3,017,169	3,670,862
Financial liabilities	17	1,265,010	685,985
Salaries and social security contributions	18	233,567	283,664
Taxes payable		259,607	897,867
Other liabilities	19	142,824	235,230
<b>Total current liabilities</b>		<b>4,918,177</b>	<b>5,773,608</b>
<b>Total liabilities</b>		<b>28,390,216</b>	<b>29,751,012</b>
<b>Total shareholders' equity and liabilities</b>		<b>47,118,145</b>	<b>48,694,560</b>

The accompanying Notes 1 to 27 and Exhibit A and D to H form an integral part of these condensed interim consolidated financial statements.

Alejandro Götz  
Chairman



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**Condensed Interim Consolidated Statement of Comprehensive Income**

For the nine and three-month periods beginning on May 1, 2019 and 2018 and ended on January 31, 2020 and 2019  
Stated in thousands of pesos

	Note/ Exhibit	Nine months to		Three months to	
		01.31.2020	01.31.2019	01.31.2020	01.31.2019
Income	21	13,470,471	13,806,263	4,761,025	6,751,275
Cost of income	F	(6,902,738)	(5,563,961)	(2,505,950)	(3,637,352)
<b>Gross profit</b>		<b>6,567,733</b>	<b>8,242,302</b>	2,255,075	<b>3,113,923</b>
Preoperative expenses	H	(3,950)	(13,667)	(65)	(5,640)
Selling expenses	H	(1,943,507)	(1,905,197)	(602,777)	(843,424)
Administrative expenses	H	(643,351)	(551,121)	(251,396)	(201,054)
Other operating income, net	22	34,421	11,389	11,577	4,664
<b>Operating income</b>		<b>4,011,346</b>	<b>5,783,706</b>	1,412,414	<b>2,068,469</b>
Financial income	23	4,239,927	5,851,369	251,078	567,584
Financial costs	23	(8,060,544)	(11,667,125)	(647,022)	(818,931)
Other financial results		15,556	(18,610)	4,291	275,363
Other financial results - RECPAM		2,014,589	1,910,889	758,967	(658,246)
<b>Results before income tax</b>		<b>2,220,874</b>	<b>1,860,229</b>	1,779,728	<b>1,434,239</b>
Income tax		118,785	(879,209)	(520,929)	(229,089)
<b>Net result for the period</b>		<b>2,339,659</b>	<b>981,020</b>	1,258,799	<b>1,205,150</b>
<b>Concepts that will be reclassified to results</b>					
Other comprehensive results		5,711	-	5,711	-
<b>Concepts that will not be reclassified to results</b>					
Other comprehensive results	15	(2,560,989)	1,124,712	(693,714)	(2,186,211)
<b>Comprehensive result for the period</b>		<b>(215,619)</b>	<b>2,105,732</b>	<b>570,796</b>	<b>(981,061)</b>
<b>Net result for the period attributable to:</b>					
<b>Company shareholders</b>		<b>2,335,466</b>	<b>979,545</b>	<b>1,257,014</b>	<b>1,212,826</b>
<b>Non-controlling interest</b>		<b>4,193</b>	<b>1,475</b>	<b>1,785</b>	<b>(7,676)</b>
<b>Net result for the period</b>		<b>2,339,659</b>	<b>981,020</b>	<b>1,258,799</b>	<b>1,205,150</b>
<b>Net comprehensive result for the period attributable to:</b>					
<b>Company shareholders</b>		<b>(200,490)</b>	<b>2,089,261</b>	<b>574,196</b>	<b>(973,385)</b>
<b>Non-controlling interest</b>		<b>(15,129)</b>	<b>16,471</b>	<b>(3,400)</b>	<b>(7,676)</b>
<b>Comprehensive result for the period</b>		<b>(215,619)</b>	<b>2,105,732</b>	<b>570,796</b>	<b>(981,061)</b>
Basic and diluted net result per share attributable to:					
- Company shareholders		12.9891	5.448	6.9911	6.745
Basic and diluted comprehensive result per share attributable to:					
- Company shareholders		(1.1151)	11.620	3.1935	(5.414)

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Alejandro Götz  
Chairman





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**Condensed Interim Consolidated Statement of Changes in Shareholders' Equity**  
For the nine-month periods beginning on May 1, 2019 and 2018 and ended January 31, 2020 and 2019  
Stated in thousands of pesos

	Capital Stock			Retained earnings		Other accumulated comprehensive income		Unappropriated Retained earnings <sup>(3)</sup>	Total shareholders' equity	Non-controlling interest	Total equity	
	Outstanding shares	Capital adjustment	Additional paid-in capital	Adjustment additional paid-in capital	Legal reserve	Free reserve <sup>(1)</sup>	Reserve for assets revaluation <sup>(2)</sup>					Reserve for investments at fair value
<b>Balances at April 30, 2018</b>	<b>179,802</b>	<b>3,735,578</b>	<b>79,686</b>	<b>1,655,562</b>	<b>90,330</b>	<b>1,166,568</b>	<b>764,876</b>	-	<b>8,195,718</b>	<b>15,868,120</b>	<b>84,906</b>	<b>15,953,026</b>
<b>Ordinary Shareholders' meeting at August 28, 2018</b>	-	-	-	-	-	1,615,863	-	-	(1,615,863)	-	-	-
Comprehensive result for the nine-month period	-	-	-	-	-	-	1,109,716	-	979,545	2,089,261	16,471	2,105,732
Reversal of reserve for assets revaluation	-	-	-	-	-	-	(25,752)	-	25,752	-	-	-
<b>Balances at January 31, 2019</b>	<b>179,802</b>	<b>3,735,578</b>	<b>79,686</b>	<b>1,655,562</b>	<b>90,330</b>	<b>2,782,431</b>	<b>1,848,840</b>	-	<b>7,585,152</b>	<b>17,957,381</b>	<b>101,377</b>	<b>18,058,758</b>
Comprehensive result for the nine-month period	-	-	-	-	-	-	(35,051)	-	903,970	868,919	15,871	884,790
Reversal of reserve for assets revaluation	-	-	-	-	-	-	(7,288)	-	7,288	-	-	-
<b>Balances at April 30, 2019</b>	<b>179,802</b>	<b>3,735,578</b>	<b>79,686</b>	<b>1,655,562</b>	<b>90,330</b>	<b>2,782,431</b>	<b>1,806,501</b>	-	<b>8,496,410</b>	<b>18,826,300</b>	<b>117,248</b>	<b>18,943,548</b>
<b>Ordinary Shareholders' meeting at August 21, 2019</b>	-	-	-	-	236,521	4,493,903	3,765,986	-	(8,496,410)	-	-	-
Comprehensive result for the nine-month period	-	-	-	-	-	-	(2,541,667)	5,711	2,335,466	(200,490)	(15,129)	(215,619)
Reversal of reserve for assets revaluation	-	-	-	-	-	-	(242,842)	-	242,842	-	-	-
<b>Balances at January 31, 2020</b>	<b>179,802</b>	<b>3,735,578</b>	<b>79,686</b>	<b>1,655,562</b>	<b>326,851</b>	<b>7,276,334</b>	<b>2,787,978</b>	<b>5,711</b>	<b>2,578,308</b>	<b>18,625,810</b>	<b>102,119</b>	<b>18,727,929</b>

(1) For distribution of dividends and/or investments and/or cancellation of debts and/or absorption of losses.

(2) Generated by the revaluation of assets (see Notes 15).

The accompanying Notes 1 to 27 and Exhibit A and D to H form an integral part of these condensed interim consolidated financial statements.

Alejandro Götz  
Chairman



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**Condensed Interim Consolidated Statement of Cash Flows**

For the nine-month periods beginning on May 1, 2019 and 2018 and ended on January 31, 2020 and 2019  
Stated in thousands of pesos

	Note / Exhibit	01.31.2020	01.31.2019
<b>Cash flows from operating activities:</b>			
Comprehensive result for the period		(215,619)	2,105,732
<b>Adjustments to arrive at net cash flows provided by operating activities:</b>			
Exchange differences generated by cash and cash equivalents		(2,977,249)	(3,869,914)
Income tax		(118,785)	879,209
Interest accrued on financial liabilities and others	16	1,250,853	1,205,911
Exchange difference generated by financial liabilities	16	5,953,365	9,978,164
Exchange difference generated by placements in financial investments not considered funds		(224,208)	(921,191)
RECPAM		(2,937,782)	(2,493,735)
Exchange difference generated by accounts receivable with CAMMESA		(30,551)	(25,943)
Interest accrued on accounts receivable and payable	23	18,113	(47,578)
Depreciation of property, plant and equipment	9 / A	2,868,258	2,098,650
Depreciation of right of use asset	H	37,918	-
Other comprehensive results		2,555,278	(1,124,712)
Provision of fixed assets		(15,209)	-
Recovery of hydrogen and oxygen plant provision		-	18,610
<b>Changes in net operating assets and liabilities:</b>			
Increase in trade accounts receivable		(260,718)	(2,197,177)
Increase in other accounts receivable		(482,032)	(770,397)
Increase in inventories		(660,439)	(5,296)
Decrease / (Increase) in spare parts and materials		16,542	(495,107)
(Decrease) / Increase in trade accounts payable		(693,397)	1,723,279
(Decrease) / Increase in salaries and social security contributions		(50,097)	10,870
Decrease in taxes payables		(643,399)	(25,720)
Increase in other liabilities		(92,406)	7,786
Income tax advance payment		-	(145,166)
<b>Net cash flows generated by operating activities</b>		<b>3,298,436</b>	<b>5,906,275</b>
<b>Cash flows from investment activities</b>			
Payments made for the acquisition of property, plant and equipment	A	(3,880,010)	(4,222,063)
Financial results capitalized in property, plant and equipment		-	(8,684)
Net retirement of property, plant and equipment		-	227,835
Advance payment for acquisitions of new areas		(332,533)	(1,770,641)
Evolution of financial investments at amortized cost not considered as cash or cash equivalents		(7,845,597)	2,261,528
<b>Net cash flows used in investment activities</b>		<b>(12,058,140)</b>	<b>(3,512,025)</b>
<b>Cash flows from financing activities</b>			
Interest paid and others	16	(1,245,371)	(1,186,287)
Financial liabilities obtained	16	598,150	-
Financial liabilities settled, net	16	(75,092)	(147,704)
Rent payment	11	(50,264)	-
<b>Net cash flows used in financing activities</b>		<b>(772,577)</b>	<b>(1,333,991)</b>
<b>(Decrease) / Net increase in cash, cash equivalents and bank overdrafts</b>		<b>(9,532,282)</b>	<b>1,060,259</b>
Exchange difference generated by cash and cash equivalents		2,977,249	3,869,914
RECPAM generated by cash and cash equivalents		(3,148,710)	(3,430,186)
Cash, cash equivalents and overdrafts at the beginning of the year	14	11,886,059	8,498,017
<b>Cash, cash equivalents and overdrafts at the end of the period</b>	14	<b>2,182,316</b>	<b>9,998,004</b>

Alejandro Götzt  
Chairman



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**Condensed Interim Consolidated Statement of Cash Flows (Cont'd.)**

For the nine-month periods beginning on May 1, 2019 and 2018 and ended on January 31, 2020 and 2019  
Stated in thousands of pesos

**Operations not entailing movements of cash**

**Complementary information**

	<b>01.31.2020</b>	<b>01.31.2019</b>
Provision for plugging of wells	(147,484)	(338,698)
Capitalized interests in Property, Plant and Equipment	90,436	-
Deferred purchase price to Enap Sipetrol	-	(222,157)
GMP Tax Provision	-	(37,301)
Commercial debt for the purchase of property, plant and equipment		1,038,600

The accompanying Notes 1 to 27 and Exhibits A and D to H form an integral part of these condensed interim consolidated financial statements.

Alejandro Götz  
Chairman



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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 1 – GENERAL INFORMATION

Capex S.A. ("the Company") and its subsidiaries Servicios Buproneu S.A. (SEB), Hychico S.A. (Hychico) and E G WIND S.A. (E G WIND) (jointly, "the Group") have as main activity the generation of electric power of thermal source, the production of oil and gas, the provision of services related to the processing and separation of gases and the production of hydrogen and oxygen.

Capex was incorporated in 1988 to carry out oil and gas exploration in Argentina. This activity was performed through the acquisition/exploration of several areas (ADC, Senillosa, Villa Regina, Lago Pellegrini, Cerro Chato, Loma Kauffman and recently Loma Negra, La Yesera and Pampa del Castillo). Subsequently, Capex expanded its operations to include electricity generation to become an integrated energy company. As a result, from 1993 to 2000 Capex developed a 672-MW combined cycle thermal station and an LPG plant on the ADC field, which allowed the business to vertically integrate operations. In addition, through its subsidiary Hychico, Capex started to diversify into the field of renewable energies, including the generation of wind power and the production of oxygen and hydrogen.

In January 1991, the Company acquired 100% of the rights over the Agua del Cajón area located in the Neuquén Basin in the south east of the province of Neuquén, under a 25-year concession with an extension option for 10 years. On April 13, 2009, a Memorandum of Understanding was signed, whereby the province of Neuquén granted the Company an extension to the original term until January 11, 2026. The agreement involved the payment of US \$ 17 million (which was capitalized in Property, plant and equipment), the commitment to conduct an action plan for an aggregate amount of US\$ 144 million until the expiration of the concession term, the payment of an extraordinary 3% production fee and the extraordinary fee ranging from 1% to 3% depending on the price of crude and natural gas with regard to a scale of reference prices.

In April 2017, by Decree No. 556/17, the Executive Power of the Province of Neuquén granted the Company a concession for the non-conventional exploitation of hydrocarbons for a term of 35 years over the entire Agua del Cajón Area for which it paid a total of US \$ 8.95 million, which was capitalized in the heading Property, plant and equipment. The concession will terminate in 2052 and, as a condition for its granting, the Company undertook to carry out an investment program for US\$ 126 million, to be carried out during a period of five years as from January 1, 2017. At April 30, 2019, the total investment made was US \$ 129.3 million, exceeding the investment committed two years earlier than stipulated.

Under the agreement signed with the Province of Neuquén, the Company shall pay the following royalties: (a) on the production from all completed and finished wells, except for those with production from unconventional reservoirs, such as shale gas, shale oil or schist of slate rock, the percentages agreed under the Memorandum of Understanding of April 13, 2009 shall be paid until January 11, 2026, date as from which the maximum royalty payment of 18% shall be made, as set forth in Section 59 of Law 17319; and (b) royalties of 12% shall be paid on the production from wells completed and finished as from the grant of the unconventional hydrocarbon exploitation concession, with production from the unconventional shale gas, shale oil, or schist of slate rock reservoirs.

On October 2017, Capex S.A. completed the acquisition from Chevron Argentina S.R.L. of i) 37.5% of the concession of hydrocarbon exploitation "Loma Negra", and ii) 18.75% of the concession of hydrocarbon exploitation "La Yesera", two oil and gas exploitation areas located in the province of Río Negro. The duration of the concession agreement of Loma Negra matures on December 24, 2024, and on June 3, 2027 in the case of La Yesera. In both concessions Capex is operator. The acquisition price amounted to US \$ 24.7 million.

In August 2018, the Company acquired 95% of the concession of hydrocarbon exploitation Pampa del Castillo - La Guitarra from Enap Sipetrol and Petrominera del Chubut S.E., an oil exploitation area located in Comodoro Rivadavia, Province of Chubut. The term of validity of the concession of the Pampa del Castillo - La Guitarra area expires in October 2026. Capex is the operator of the area. The acquisition price amounted to US \$ 39.3 million.

The Company is considering a possible acquisition of hydrocarbon assets to enable it to increase its reserves and production levels. The Company made several bids in hydrocarbon areas (see Note 26).

The electricity generation business has a total nominal generation capacity of 672 MW (ISO), including an open cycle with a total nominal capacity of 371MW and a combined cycle with supplementary firing with a total nominal capacity of 301 MW.

Alejandro Götz  
Chairman



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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 1 – GENERAL INFORMATION (CONT'D.)

To connect the power station of thermal source with the National Interconnected System (SIN), a total of 111km of three high-voltage lines of 132kV were built, with Arroyito and Chocón Oeste being the interconnection points. Due to the operating needs of the combined cycle, an additional high-voltage line of 500 KV was built, the connection point of which is in Chocón Oeste. Thus, delivery is highly reliable and flexible.

The Company processes the gas produced, which is rich in liquefied components, in an LPG plant owned by SEB. Propane, butane and stabilized gasoline are obtained from this process. Propane and butane are sold separately and stabilized gasoline is sold together with crude oil, while the remaining gas is used as fuel to generate electricity. The efficiency levels of this plant are approximately 99.6%.

The Company started through Hychico two projects for the generation of wind power and the production of oxygen and hydrogen by electrolysis. Thus the Company built the Diadema Eolic Energy Farm ("DEEF I") with an installed power of 6.3 MW and the Hydrogen and Oxygen Plant in Comodoro Rivadavia. Hydrogen is used as fuel for the generation of electric power, by mixing hydrogen with gas; oxygen is destined for the industrial gases market in the region and the produced wind power is sold in the WEM.

On December 19, 2017 Capex became the awardee in the RenovAr Program – Round 2 for the development and construction (through its subsidiary EG WIND S.A.) of the Diadema Eolic Energy Farm II ("DEEF II") of 27.6 MW, located near DEEF I. DEEF II was opened and commercially enabled in September 2019 and the energy generated is sold to CAMMESA under a PPA for a 20-year period as from the date of authorization of commercial commissioning. Total investment reached approximately US\$ 35.7 million.

The Company trades its shares in the Buenos Aires Stock Exchange.

#### Macroeconomic context

The Company operates in an economic context in which the main variables have been affected by a strong volatility as a result of political and economic events at a national and international level. On December 10, 2019, a new National Government took office and implemented a series of economic, financial and tax measures to control inflation and public spending. In addition to these economic measures implemented by the new administration, the sovereign debt restructuring process was formally initiated. As part of this process, this administration's intention is to make an offer to bondholders for the debt restructuring.

The international context is affected by the spread of the coronavirus, mainly in China, Japan, Europe and the United States, thus having an impact on financial markets and commodity prices. The coronavirus is expected to affect global economic growth, commodity prices and interest rates. Accordingly, the U.S. Federal Reserve cut its benchmark interest rate by 50 basis points. Brent and WTI oil price was significantly adjusted by -32% and -31%, respectively. This was the most severe adjustment since the Gulf War at the end of 1990s.

The Company constantly supervises the changes in the variables affecting its business to define its course of action and identify the possible impact on its financial position. The Company's Financial Statements must be read in light of these circumstances.

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Chairman



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**Notes to the Condensed Interim Consolidated Financial Statements of Financial Position**

**NOTE 2 - OIL AND GAS RESERVES (NOT COVERED BY REVIEW REPORT OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS)**

- Agua del Cajón

Below is the estimate of hydrocarbon reserves and resources in the Agua del Cajon area made by the Company at December 31, 2018, and audited by the independent auditor, Lic. Hector A. Lopez, in compliance with the requirements of ES Resolution 324/06. The expiration horizon is January 2052, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm <sup>3</sup> <sup>(1)</sup>	4,126	1,208	5,334	797	653	15,315
Oil	Mbbl	1,774	1,094	2,868	1,730	1,736	3,730
	Mm <sup>3</sup>	282	174	456	275	276	593

<sup>(1)</sup> Determined at 9,300 K/Cal per m<sup>3</sup>

- Loma Negra

The estimate of hydrocarbon reserves and resources in the Loma Negra area, at December 31, 2018, was audited by the independent auditor, Lic. Hector A. Lopez, in compliance with the requirements of ES Resolution 324/06. The expiration horizon in December 2024, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm <sup>3</sup> <sup>(1)</sup>	972	6	978	238	-	766
Oil	Mbbl	1,585	327	1,912	50	-	755
	Mm <sup>3</sup>	252	52	304	8	-	120

<sup>(1)</sup> Determined at 9,300 K/Cal per m<sup>3</sup>

The Company owns 37.5% of said reserves.

- La Yesera

The estimate of hydrocarbon reserves and resources in the La Yesera area, at December 31, 2018, was audited by the independent auditor, Lic. Héctor A. López, in compliance with the requirements of ES Resolution 324/06. The expiration horizon in June 2027, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm <sup>3</sup> <sup>(1)</sup>	235	26	261	-	-	236
Oil	Mbbl	1,145	365	1,510	-	-	3,007
	Mm <sup>3</sup>	182	58	240	-	-	478

<sup>(1)</sup> Determined at 9,300 K/Cal per m<sup>3</sup>

The Company owns 18.75% of said reserves.

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Chairman



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**Notes to the Condensed Interim Consolidated Financial Statements of Financial Position**

**NOTE 2 - OIL AND GAS RESERVES (NOT COVERED BY REVIEW REPORT OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS) (CONT'D.)**

- Pampa del Castillo

The estimate of hydrocarbon reserves and resources in the Pampa del Castillo – La Guitarra area, at December 31, 2018, was audited by the independent auditor, Lic. Ana María Nardone, in compliance with the requirements of ES Resolution 324/06. The expiration horizon is October 2026, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	Mm <sup>3</sup> <sup>(1)</sup>	26	28	54	5	4	-
Oil	Mbbl	7,246	7,560	14,806	1,365	1,044	-
	Mm <sup>3</sup>	1,152	1,202	2,354	217	166	-

<sup>(1)</sup> Determined at 9,300 K/Cal per cubic meter  
The company owns 95 % of said reserves

Proven developed reserves at January 31, 2020, calculated on the basis of the audited reserves at December 31, 2018 until the end of the concessions, and adjusted according to production for the period from January 2019 to January 2020 and taking into account the participation of the Company in each of the areas, amount to:

		Agua del Cajón	Loma Negra (37,5%)	La Yesera (18,75%)	Pampa del Castillo (95%)	Total
Gas	Mm <sup>3</sup> <sup>(1)</sup>	3,552	270	39	25	3,886
Oil	Mbbl	1,387	432	172	5,222	7,213
	Mm <sup>3</sup>	220	69	27	830	1,146

<sup>(1)</sup> Determined at 9,300 K/Cal per m<sup>3</sup>

**NOTE 3 – REGULATORY FRAMEWORK FOR THE OIL, ELECTRICITY, GAS AND LPG SECTORS**

There were no changes in the regulatory framework of the oil & gas, electric and LPG sectors compared with the information provided in the consolidated financial statements for the year ended April 30, 2019, except for:

**Oil sector**

Through Decree of Necessity and Urgency No. 566/19 dated August 15, 2019 and effective since the day of publication in the Official Gazette on August 16, 2019, the National Executive Branch (PEN) established that:

- 1) deliveries of crude oil in the local market during the ninety calendar days following the entry into force of the measure must be invoiced and paid at the price agreed by producing and refining companies at August 9, 2019, applying a reference exchange rate of \$ 45.19/US\$ and a BRENT reference price of US\$ 59/bbl.
- 2) the maximum price of gasoline and gas oil (all qualities), marketed by refining companies and/or wholesalers and/or retailers, in all sale channels, shall not be higher than the current price at August 9, 2019.
- 3) refining companies and/or wholesalers and/or retailers must meet, at the prices established in said decree, the total national demand for liquid fuels, in accordance with the volumes required under usual market practices, supplying on a regular and continuous basis to each and every area that makes up the territory of the Argentine Republic.
- 4) hydrocarbon producing companies must meet the total demand for crude oil required by local refining companies, supplying regularly and continuously to all refineries located in the territory of the Argentine Republic to satisfy domestic demand.
- 5) fuels shall be marketed according to the qualities, types and other requirements established by current regulations.

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Chairman



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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 3 – REGULATORY FRAMEWORK FOR THE OIL, ELECTRICITY, GAS AND LPG SECTORS (CONT'D.)

Through Decree of Necessity and Urgency No. 601/19 dated August 30, 2019 and effective since the day of its publication in the Official Gazette on September 2, 2019, the PEN superseded sections 1 and 2 of Presidential Decree 566/19 and established a reference exchange rate of \$ 46.69/US\$ until November 13, 2019. In addition, the maximum price of gasoline and gas oil (all qualities), marketed by refining companies and/or wholesalers and/or retailers, whose final destination is the supply of fuel in points of sale (service station) shall not exceed the price effective at August 9, 2019.

Taking into account the purposes pursued by presidential decrees 566/19 and 601/19 and as long as they are effective, the Energy Secretariat from the Ministry of Finance shall issue any resolutions as necessary to normalize the hydrocarbon sector prices and/or modify the reference values and maximum prices established therein and/or require transfers from the National Treasury to maintain the level of activity and employment and protect consumers during this exceptional period. To this end, the following resolutions were issued: ES Resolution No. 557/19 (effective September 19, 2019), raising the reference exchange rate to \$ 49.30/US\$ and ES Resolution No. 688/19 (effective November 1, 2019), raising the reference exchange rate to \$ 51.77/US\$.

On September 13, 2019, Resolution No. 552/19 of the Ministry of Finance was published, establishing a transfer of \$ 116.10 per barrel of oil delivered to the local market during September 2019, to be paid 88% to the requesting producing company and 12% to the province in which the oil was produced. The above-mentioned request for transfer must be accompanied by a waiver by the oil producing company and the grantor of the concession (the province) of any right or administrative, judicial, out-of-court action or claim or arbitration proceedings, in Argentina or abroad, and at international level, in relation to the application of Decrees Nos. 566 and 601/19. The Company has not made any request in this regard.

#### Export rights

By means of Decree No. 37/99 issued by the National Executive Branch and published in the Official Gazette on December 14, 2019, the cap of ARS 4/US\$ of the tax value or FOB price as export duties under Decree No. 793/18 was eliminated. Therefore, the rate for export duties applicable to hydrocarbons will be 12%, subject to no cap.

Besides, Law No. 27541 published in the Official Gazette on December 23, 2019, stated that rates for export duties applicable to hydrocarbons and mining cannot be higher than 8% of the tax value or FOB price. However, to the date of these financial statements, Customs settles export duties for hydrocarbons at a 12% rate. The Company has filed the corresponding objections and has requested the reimbursement for the export duties paid in excess.

#### Energy sector

##### **Res 31/2020 of the Ministry of Energy**

On February 26, 2020, the Secretariat of Energy of the Ministry of Productive Development published Resolution No. 31/2020, whereby values remunerated through Resolution Res 1/2019 issued by the former Secretariat of Renewable Resources and Electricity Market (SRRyME) were pesified as from February 1, 2020.

This resolution further establishes that values stated in pesos will be adjusted on a monthly basis according to the amount resulting from the sum of 60% of Consumer Price Index (CPI) variation and 40% of Wholesale Price Index (WPI) variation from the previous month. This update will be applicable as from the transaction carried out on the second month of this resolution validity.

The new values set for remunerations for technologies with characteristics similar to CT ADC (> 150MW) are the following:

- (i) Remuneration for monthly available power, which will be allocated depending on the use factor of the generation equipment.

Alejandro Götz  
Chairman





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**Notes to the Condensed Interim Consolidated Financial Statements of Financial Position**

**NOTE 3 – REGULATORY FRAMEWORK FOR THE OIL, ELECTRICITY, GAS AND LPG SECTORS (CONT'D.)**

- a) Minimum price associated with the Real Availability of Power (“DRP”, for its acronym in Spanish).

Technology / Scale	[\$/MW-month]
Large CC P > 150 MW	100,650

This remuneration will be the base value for power availability to apply for those generators that do not declare DIGO.

- b) Base Price for the Guaranteed Availability Offered (DIGO)

Period	[\$/MW – month]
Dec – Jan – Feb – Jun – Jul - Ago	360,000
Mar – Apr – May – Sep – Oct - Nov	270,000

Monthly power remuneration of a Thermal Authorized Generator (“GHT”, for its acronym in Spanish) will be proportional to monthly availability, use factor of the generation unit and seasonal prices. The applicable physical value is the monthly average power, less the hours of scheduled and agreed-upon maintenance. Power unavailability considered when calculating available average power will be the generating agent’s sole responsibility.

The DIGO unavailability of a generating unit arising from any own flaw or due to the failure to consume fuel allocated in the economic dispatch is GHT’s responsibility and will be considered forced unavailability.

- (ii) Remuneration for generated and operated energy

- a) Generated energy: variable non-fuel prices, by type of fuel consumed by the generating unit, is as follows:

Technology/Scale	Natural Gas [\$/MWh]
CC – Large P > 150 MW	240

For the hours the generating unit does not dispatch power as optimal dispatched power for operating reasons not attributable to forced generation due to transport, voltage or safety control requirements, it will be recognized as remuneration for generated energy when it is equal to 60% of net installed power, notwithstanding the energy actually dispatched by the generating unit.

- b) Operated Energy: generators will receive a monthly remuneration for this concept represented by the integration of the hourly powers in the period, valued at 84 \$/MWh for any type of fuel.

When the generating unit does not dispatch power as optimal dispatched power for operating reasons not attributable to forced generation due to transport, voltage or safety control requirements, it will be recognized as remuneration for operated energy when it is equal to 60% of net installed power, notwithstanding the energy actually dispatched by the generating unit, plus rotating power calculated as the difference between the available net installed power and generated energy.

- iii) Remuneration of availability power in high requirement hours

Resolution Res 31/2020 introduces the concept of Period for the assessment of the generating park operation in Maximum Thermal Requirement Hours (“HMRT”, per its acronym in Spanish) in the 50 hours in which the highest dispatch of net thermal generation is recorded in each month of the calendar year.

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Chairman



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**Notes to the Condensed Interim Consolidated Financial Statements of Financial Position  
NOTE 3 – REGULATORY FRAMEWORK FOR THE OIL, ELECTRICITY, GAS AND LPG SECTORS (CONT'D.)**

These hours will be assessed per month ordered from the maximum to the minimum thermal requirement, as indicated below.

HMRT	Period			
	Summer	Rest/Autumn	Winter	Rest/Spring
HMRT-1	First 25 hours of highest thermal requirement of each month in each period			
HMRT-2	Second 25 hours of highest thermal requirement of each month in each period			

GHT will receive 37,500 \$/MW for the average generated power in the 50 hours of the maximum thermal requirement of the month, by differentiating between the first 25 hours and the second 25 hours and the seasonal periods of the year (summer, winter, autumn and spring).

- o Summer / Winter:
  - First 25 hs of the month: 37,500 \$/MW x 1.2
  - Second 25 hs of the month: 37,500 \$/MW x 0.6
- o Autumn / Spring:
  - First 25 hs of the month: 37,500 \$/MW x 0.2
  - Second 25 hs of the month: 37,500 \$/MW x 0.0

Likewise, it establishes that for the recovery of the amounts associated with the financing granted for the execution of non-recurrent, major and/or extraordinary maintenance, CAMMESA shall deduct from the settlement of the generator's credits an amount equivalent to the maximum between 60 \$/MWh generated and 42,000 \$/MW-month.

Lastly, the Undersecretariat of Energy of the Ministry of Productive Development is empowered to issue any such complementary or explanatory rules and regulations as are required for the implementation of this resolution.

**NOTE 4 - BASIS FOR PRESENTATION**

The National Securities Commission (CNV), by means of General Resolution 622/13, has established the application of Technical Pronouncement No, 26 and its changes by the Argentine Federation of Professional Councils in Economic Sciences, adopting International Financial Reporting Standards (IFRS), issued by the IASB, for those entities included in the public offering regime of Law 17811 and its amendments, due either to their stock or corporate bonds, or having requested authorization to be included in this regime.

These financial statements are stated in thousands of Argentine pesos without cents, except otherwise expressly stated. They have been prepared in homogeneous currency at the end of the period, modified by the measurement of certain financial and no financial assets and liabilities at fair value.

The information included in the financial statements is stated in the functional and presentation currency of the Company, i.e. the currency of the primary economic environment in which the entity operates. The functional currency is the Argentine peso, which coincides with the presentation currency of the financial statements.

These condensed interim consolidated financial statements, for the nine-month period ended January 31, 2020, have been prepared according to "Financial Interim Information" (IAS 34).

This condensed interim financial information must be read jointly with the consolidated financial statements of the Company as of April 30, 2019.

The condensed interim consolidated financial statements corresponding to the nine and three-month periods ended January 31, 2020 and 2019 have not been audited. The Company Management estimates that they include all necessary adjustments to present the results of each period in a reasonable manner. The results of the nine and three-month periods ended January 31, 2020 and 2019 do not necessarily reflect the proportion of the Group's results during full fiscal years.

The condensed interim consolidated financial statements have been approved for their issuance by the Board of Directors on March 13, 2020.

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Chairman



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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 4 - BASIS FOR PREPARATION AND PRESENTATION (CONT'D.)

#### Comparative information

Balances at April 30, 2019 and for the nine and three-month period ended on January 31, 2019, which are disclosed for comparative purposes, arise from financial statements at those dates after their reexpression. Certain not significant reclassifications corresponding to the financial statements presented for comparative purposes have been made to keep consistency in disclosure with the amounts for the current period.

#### Consideration of the effects of inflation

The International Accounting Standard No. 29 "Financial information in hyperinflationary economies" (IAS 29) requires that the financial statements of an entity whose functional currency is that of a high inflation economy, regardless of whether they are based on the historical cost method or the current cost method, be restated in constant currency at the end date of the reporting period. For this, in general terms, the inflation produced from the date of acquisition or from the revaluation date should be computed in the non-monetary items as appropriate. These requirements also include comparative information of the financial statements.

In order to conclude on whether an economy is categorized as of high inflation in terms of IAS 29, the norm details some key indicators, among which accumulative inflation rate over three years that approaches, or exceeds, 100%, is included. For this reason, according to IAS 29, the Argentine economy should have been considered as a highly inflationary economy as from July 1, 2018.

In turn, Law No. 27468 (Official Gazette December 4, 2018) modified Section 10 of Law No. 23928 and amendments, and provided that the repeal of all the regulations that establish or authorize index-adjustment, monetary restatement, cost variation or any other way of restatement of debts, taxes, prices or tariffs of goods, works or services/utilities, does not apply to the financial statements, to which the provisions of Section 62 in fine of General Companies Law No. 19550 (restated text 1984), as amended, will continue to apply. That law also repealed Decree No. 1269/2002 dated July 16, 2002, as amended, and delegated to the National Executive Branch, through its control authorities, the power to set the effective date of the rules governing financial statements to be filed. Therefore, under General Resolution 777/2018 (Official Gazette December 28, 2018), the CNV established that the issuing entities under its control shall apply to financial statements for annual, interim and special periods ending on or after December 31, 2018 the method of restatement to constant currency, pursuant to IAS 29. Therefore, these financial statements as of January 31, 2020 have been restated.

According to IAS 29, the financial statements of entities reporting in the currency of a hyperinflationary economy shall be stated in terms of the measuring unit current at the date of the financial statements. Statement of financial position amounts not already expressed in terms of the measuring unit current at the date of the financial statements shall be restated by applying a general price index. All items in the statement of income shall be expressed in terms of the measuring unit current at the date of the financial statements by applying the change in the general price index from the dates when the items of income and expenses were initially recorded in the financial statements.

The adjustment for inflation applied to opening balances was calculated based on the indexes established by FACPCE and the price indexes published by the National Institute of Statistics and Census (INDEC).

Below are the main procedures to be applied for the adjustment for inflation mentioned above:

- Monetary assets and liabilities recorded at the monetary unit current at the balance sheet date are not restated as they are already expressed in terms of the monetary unit current at the date of the financial statements.
- Non-monetary assets and liabilities that are recorded at the balance sheet date and equity items are restated by applying the corresponding index adjustments.
- All the elements in the income statement are updated applying the relevant conversion factors.
- Income and expenses (including interest and exchange differences) from the Statement of Income are restated as from their date of accounting recognition, except for the items that show or include the consumption of assets measured under purchasing power currency prior to the registration of the consumption, restated based on the date of origin of the asset to which that item is related (for example, depreciation and other, consumption of assets stated at historical cost.)

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Chairman



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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 4 - BASIS FOR PREPARATION AND PRESENTATION (CONT'D.)

- The effect of inflation on the Company's net monetary position is included in the Statement of Income within Other financial results – RECPAM.
- Comparative amounts have been inflation-adjusted following the same procedure explained above.

In the first period of application of this standard, the equity accounts were restated as follows:

- The capital and additional paid-in capital was restated from the date of subscription or the date of the last accounting adjustment for inflation, whatever happened later. The resulting amount was incorporated to the "Capital adjustment" and "Additional paid-in capital adjustment" respectively and
- Other comprehensive income items were restated as from each date of accounting allocation.
- The Reserve for revaluation is expressed in real terms.
- Other reserves were not restated in the initial application of the standard.

The inflation adjustment was calculated considering the indexes established by the FACPCE based on the price indexes published by INDEC.

### NOTE 5 - ACCOUNTING POLICIES

The accounting policies adopted for these interim condensed consolidated financial statements are consistent with those used in the consolidated financial statements for the year ended April 30, 2019, except for:

#### IFRS 9 - Financial assets at fair value with changes in other comprehensive income

Financial assets at fair value through other comprehensive income are initially recognized at fair value, plus transaction costs directly attributable to the acquisition. After initial recognition, financial assets classified under this category are measured at fair value, and profits or losses are recognized in other comprehensive income, except for interest revenue or losses, exchange rate and expected credit losses. Amounts recognized in other comprehensive income are recognized in profit or loss when financial assets are written off. However, interest calculated using the effective interest rate method is recognized in profit or loss.

Financial assets are measured at fair value through other comprehensive income when: i) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and ii) under the contractual terms of the financial asset, cash flows that are solely payments of principal and interest will be received on specified dates. The financial results of these investments are recognized in profit or loss for the period.

#### IFRS 16 – Leases

Since the fiscal year commenced May 1, 2019, the Company applies IFRS 16 in a simplified manner, in relation to lease agreements identified as such under IAS 17, including the effect of incorporating this new standard under the lines "Right of use asset" and Trade accounts payable under "Lease debts" (Note 11).

The terms of the lease contracts are negotiated on an individual basis and contain various terms and conditions. Leases are recognized as a right-of-use asset and lease liability at the date on which the leased asset is available.

The amount of the right of use asset includes the initial measurement of the lease liability, and it is depreciated under the straight-line method based on each contract lease term, except when the useful life of such underlying asset is shorter.

The lease liability was measured at the present value of outstanding lease payments, discounted at the incremental borrowing rate at May 1, 2019. Subsequently, the Company increases the lease liability to reflect interest accrued (and recognized in the statement of comprehensive income), deducts installments paid and recalculates the new carrying amount by applying the discount rate.

On May 1, 2019, the Company recognized in the statement of financial position right of use assets and lease liabilities in the amount of \$ 291,774, measured at present value of future payments.

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Chairman



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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 5 - ACCOUNTING POLICIES (CONT'D.)

Management has reviewed the lease agreements in force and identified commitments relating to agreements ending within 12 months from the date of adoption of IFRS 16 or relating to short-term leases or leases of underlying low-value assets that the Company continues recognizing in P&L for the period.

### NOTE 6 - ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the condensed interim consolidated financial statements at a given date requires that Management makes estimates and evaluations affecting the amount of assets and liabilities recorded and contingent assets and liabilities disclosed at the date of issue of the financial statements, as well as income and expenses recorded during the period.

These estimates and judgements are constantly assessed and are based on past experience and other factors that are reasonable under the existing circumstances. Actual future results may differ from those estimates and assessments made at the date these condensed interim consolidated financial statements were prepared.

In the preparation of these condensed interim consolidated financial statements, critical judgments made by Management when applying the Group accounting policies and the sources of information used for the related estimates are the same as those applied to the consolidated financial statements for the fiscal year ended April 30, 2019.

### NOTE 7 - ADMINISTRATION OF FINANCIAL RISKS

The Group's activities expose it to several financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit and liquidity risks.

There were no significant changes in the risk management policies since the last fiscal year ended April 30, 2019, except:

#### Measures in the financial and foreign exchange market adopted by the National Government

On September 1, 2019, the PEN issued Presidential Decree 609/19, and accordingly the Central Bank of Argentina ("BCRA") issued Communication "A" 6770, establishing measures for access to the exchange market, among others:

- Deadlines to bring in and trade export transactions in the exchange market.
- BCRA's prior approval for: i) transfer of profits and dividends abroad; ii) payment of financial debts abroad with more than 3 business days prior to the due date for payment of principal and interest thereon; iii) payment of debts for imports of goods and services; iv) access to the exchange market for the formation of external assets for entities and individuals (in the case of the latter, when they exceed US\$ 200 per month).
- Bringing in and trading in the exchange market the proceeds of the new financial debts abroad and providing evidence of compliance with this requirement for access to the exchange market for the repayment of principal and interest thereon.
- In case of access to the local exchange market for the repayment of financial or commercial debts abroad, it must be demonstrated, if applicable, that the transaction at issue was reported in the last Survey on Assets and Liabilities filed with the BCRA.
- Prohibition to access the exchange market: i) to settle debts between residents, the related agreement being executed following September 1, 2019; ii) for amounts over US\$ 1,000 per month in the case of non-residents.

#### Energy rates

Regarding energy rates, on February 26, 2020, the Secretariat of Energy of the Ministry of Productive Development published Resolution No. 31/2020, whereby values remunerated through Resolution Res 1/2019 issued by the former Secretariat of Renewable Resources and Electricity Market (SRRyME) were pesified as from February 1, 2020. This resolution further establishes that values stated in pesos will be adjusted on a monthly basis. See Note 3 - Regulatory Framework.

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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 8 - SEGMENT REPORTING

The Board has determined operating segments based on the reports it reviews and which are used for strategic decision making.

Segment reporting is presented in a manner consistent with the internal reporting. The Board and the Senior Managers are responsible for assigning resources and assessing the profitability of operating segments.

Management information used in the decision-making process is prepared on a monthly basis and contains a breakdown of the Group's segments:

- 1) the exploration, production and sale of oil and gas ("Oil and Gas"),
- 2) generation of electric power ("Electricity ADC"),
- 3) production and sale of gas-derived liquid fuel ("LPG").
- 4) generation of wind electric power ("Energy DEEF"),
- 5) generation of electric power with hydrogen ("HYDROGEN Energy") and
- 6) oxygen production and sale ("Oxygen").

Within this segment opening, the revenues received from CAMMESA as of January 31, 2020, which amount to \$ 6.405,7 million, are distributed as follows:

- 1) Gas revenues of \$ 3,530.6 million: corresponds to payments received from CAMMESA for the Recognition of Own Fuels, whose remuneration is set in dollars and associated with the evolution of the price of gas for generation plants, and
- 2) Electric energy revenues of \$ 2,875.1 million: corresponds to the specific remuneration per generation (See Note 3 - Res 31/2020 applicable from February 1, 2020).

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Chairman



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**Notes to the Condensed Interim Consolidated Financial Statements of Financial Position**

**NOTE 8 - SEGMENT REPORTING (CONT'D.)**

Segments reporting information is disclosed below:

Nine months to 01.31.2020						
Oil and Gas	Electricity ADC	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Total
Income	6,338,965	6,405,710	414,043	289,435	17,602	13,470,471
Reclassification between segments	3,492,266	(3,530,566)	38,300	-	-	-
Income per segment	9,831,231	2,875,144	452,343	289,435	17,602	13,470,471
Participation per segment on Income	<b>72.98%</b>	<b>21.34%</b>	<b>3.36%</b>	<b>2.15%</b>	<b>0.13%</b>	<b>100.0%</b>
Cost of income	(5,540,221)	(1,093,335)	(134,064)	(90,699)	(35,523)	(6,902,738)
<b>Gross Profit</b>	<b>4,291,010</b>	<b>1,781,809</b>	<b>318,279</b>	<b>198,736</b>	<b>(17,921)</b>	<b>6,567,733</b>
Segment share on gross income	<b>65.33%</b>	<b>27.13%</b>	<b>4.85%</b>	<b>3.02%</b>	<b>-0.27%</b>	<b>100.0%</b>
Preoperative expenses	-	-	-	(3,950)	-	(3,950)
Selling Expenses	(1,623,993)	(296,255)	(17,735)	(2,872)	(2,121)	(1,943,507)
Administrative Expenses	(408,859)	(188,260)	(33,223)	(7,162)	(4,676)	(643,351)
Other operating income, net	24,996	8,919	469	79	(34)	34,421
<b>Operating result</b>	<b>2,283,154</b>	<b>1,306,213</b>	<b>267,790</b>	<b>184,831</b>	<b>(24,752)</b>	<b>4,011,346</b>
Financial income						4,239,927
Financial costs						(8,060,544)
Other financial income						15,556
Other financial results RECPAM						2,014,589
<b>Result Before Income Tax</b>						<b>2,220,874</b>
Income Tax						118,785
<b>Net result for the period</b>						<b>2,339,659</b>
Other comprehensive results <sup>(1)</sup>						(2,555,278)
<b>Net comprehensive result for the period</b>						<b>(215,619)</b>
<b>Depreciation</b>						
In Cost of Income	(2,061,177)	(674,029)	(45,668)	(68,270)	(11,214)	(2,863,167)
In Administrative Expenses	(20,720)	(20,938)	(1,351)	-	-	(43,009)
<b>Total</b>	<b>(2,081,897)</b>	<b>(694,967)</b>	<b>(47,019)</b>	<b>(68,270)</b>	<b>(11,214)</b>	<b>(2,906,176)</b>

  

Three months to 01.31.2020						
Oil and Gas	Electricity ADC	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Total
Income	2,476,359	1,991,950	138,511	146,905	5,603	4,761,025
Reclassification between segments	966,512	(1,003,933)	37,421	-	-	-
Income per segment	3,442,871	988,017	175,932	146,905	5,603	4,761,025
Participation per segment on Income	<b>72.31%</b>	<b>20.75%</b>	<b>3.69%</b>	<b>3.09%</b>	<b>0.12%</b>	<b>100.00%</b>
Cost of income	(1,999,332)	(398,476)	(45,669)	(50,787)	(9,019)	(2,505,950)
<b>Gross Profit</b>	<b>1,443,539</b>	<b>589,541</b>	<b>130,263</b>	<b>96,118</b>	<b>(3,416)</b>	<b>2,255,075</b>
Segment share on gross income	<b>64.01%</b>	<b>26.14%</b>	<b>5.78%</b>	<b>4.26%</b>	<b>-0.15%</b>	<b>100.00%</b>
Preoperative expenses	-	-	-	(65)	-	(65)
Selling Expenses	(546,904)	(47,577)	(6,064)	(1,446)	(609)	(602,777)
Administrative Expenses	(160,285)	(74,173)	(13,593)	(2,727)	(441)	(251,396)
Other operating income, net	5,233	6,107	308	(28)	(34)	11,577
<b>Operating result</b>	<b>741,583</b>	<b>473,898</b>	<b>110,914</b>	<b>91,852</b>	<b>(4,500)</b>	<b>1,412,414</b>
Financial income						251,078
Financial costs						(647,022)
Other financial income						4,291
Other financial results RECPAM						758,967
<b>Result Before Income Tax</b>						<b>1,779,728</b>
Income Tax						(520,929)
<b>Net result for the period</b>						<b>1,258,799</b>
Other comprehensive results <sup>(1)</sup>						(688,003)
<b>Net comprehensive result for the period</b>						<b>570,796</b>
<b>Depreciation</b>						
In Cost of Income	(901,640)	(252,935)	(15,224)	(36,288)	(3,655)	(1,210,774)
In Administrative Expenses	(13,611)	(12,866)	(893)	-	-	(27,370)
<b>Total</b>	<b>(915,251)</b>	<b>(265,801)</b>	<b>(16,117)</b>	<b>(36,288)</b>	<b>(3,655)</b>	<b>(1,238,144)</b>

(1) No future allocation to results.

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Chairman



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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 8 - SEGMENT REPORTING (CONT'D.)

	Nine months to 01.31.2019						
	Oil and Gas	Electricity ADC	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Total
Income	5,130,765	7,875,329	631,497	152,471	10,625	5,576	13,806,263
Reclassification between segments	4,102,334	(4,045,837)	(56,497)	-	-	-	-
Income per segment	9,233,099	3,829,492	575,000	152,471	10,625	5,576	13,806,263
Participation per segment on Income	66.88%	27.74%	4.16%	1.10%	0.08%	0.04%	100.00%
Cost of income	(4,241,721)	(1,134,743)	(112,641)	(42,260)	(22,766)	(9,830)	(5,563,961)
<b>Gross Profit</b>	<b>4,991,378</b>	<b>2,694,749</b>	<b>462,359</b>	<b>110,211</b>	<b>(12,141)</b>	<b>(4,254)</b>	<b>8,242,302</b>
Segment share on gross income	60.56%	32.69%	5.61%	1.34%	(0.15%)	-0.05%	100.00%
Preoperative expenses	-	-	-	(13,667)	-	-	(13,667)
Selling Expenses	(1,565,990)	(289,017)	(46,240)	(373)	(2,470)	(1,107)	(1,905,197)
Administrative Expenses	(340,657)	(162,265)	(40,927)	(1,474)	(3,418)	(2,380)	(551,121)
Other operating (expenses) / income, net	10,876	-	(20)	-	350	183	11,389
<b>Operating result</b>	<b>3,095,607</b>	<b>2,243,467</b>	<b>375,172</b>	<b>94,697</b>	<b>(17,679)</b>	<b>(7,558)</b>	<b>5,783,706</b>
Financial income							5,851,369
Financial costs							(11,667,125)
Other financial income							(18,610)
Other financial results RECPAM							1,910,889
<b>Result Before Income Tax</b>							<b>1,860,229</b>
Income Tax							(879,209)
<b>Net result for the period</b>							<b>981,020</b>
Other comprehensive results <sup>(1)</sup>							1,124,712
<b>Net comprehensive result for the period</b>							<b>2,105,732</b>
<b>Depreciation</b>							
In Cost of Income	(1,245,190)	(778,108)	(27,171)	(24,061)	(11,609)	(650)	(2,086,789)
In Administrative Expenses	(4,462)	(6,849)	(550)	-	-	-	(11,861)
<b>Total</b>	<b>(1,249,652)</b>	<b>(784,957)</b>	<b>(27,721)</b>	<b>(24,061)</b>	<b>(11,609)</b>	<b>(650)</b>	<b>(2,098,650)</b>
	Three months to 01.31.2019						
	Oil and Gas	Electricity ADC	LPG	Energy DEEF	Hydrogen Energy	Oxygen	Total
Income	3,396,500	3,077,652	214,070	55,326	5,717	2,010	6,751,275
Reclassification between segments	1,793,076	(1,812,051)	18,975	-	-	-	-
Income per segment	5,189,576	1,265,601	233,045	55,326	5,717	2,010	6,751,275
Participation per segment on Income	76.87%	18.75%	3.45%	0.82%	0.08%	0.03%	100.00%
Cost of income	(3,212,361)	(347,371)	(47,332)	(17,098)	(9,213)	(3,977)	(3,637,352)
<b>Gross Profit</b>	<b>1,977,215</b>	<b>918,230</b>	<b>185,713</b>	<b>38,228</b>	<b>(3,496)</b>	<b>(1,967)</b>	<b>3,113,923</b>
Segment share on gross income	63.50%	29.49%	5.96%	1.23%	(0.12%)	(0.06%)	100.00%
Preoperative expenses	-	-	-	(5,640)	-	-	(5,640)
Selling Expenses	(713,986)	(108,520)	(19,271)	(156)	(1,029)	(462)	(843,424)
Administrative Expenses	(129,759)	(59,351)	(10,142)	(365)	(847)	(590)	(201,054)
Other operating income, net	4,090	-	(24)	-	392	206	4,664
<b>Operating result</b>	<b>1,137,560</b>	<b>750,359</b>	<b>156,276</b>	<b>32,067</b>	<b>(4,980)</b>	<b>(2,813)</b>	<b>2,068,469</b>
Financial income							567,584
Financial costs							(818,931)
Other financial income							275,363
Other financial results RECPAM							(658,246)
<b>Result Before Income Tax</b>							<b>1,434,239</b>
Income Tax							(229,089)
<b>Net result for the period</b>							<b>1,205,150</b>
Other comprehensive results <sup>(1)</sup>							(2,186,211)
<b>Net comprehensive result for the period</b>							<b>(981,061)</b>
<b>Depreciation</b>							
In Cost of Income	(639,768)	(259,369)	(11,472)	(13,621)	(5,185)	(290)	(929,705)
In Administrative Expenses	(1,831)	(1,660)	(116)	-	-	-	(3,607)
<b>Total</b>	<b>(641,599)</b>	<b>(261,029)</b>	<b>(11,588)</b>	<b>(13,621)</b>	<b>(5,185)</b>	<b>(290)</b>	<b>(933,312)</b>

(1) No future allocation to results.

The Company made sales to foreign clients in the period ended January 31, 2020. The Company does not own assets that are not financial instruments outside the country.

Alejandro Götz  
Chairman





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**Notes to the Condensed Interim Consolidated Financial Statements of Financial Position**

**NOTE 9 – PROPERTY, PLANT AND EQUIPMENT**

	01.31.2020	01.31.2019
Residual value at the beginning of period	31,889,100	24,842,955
Additions / retirements/ impairments	4,285,687	7,354,400
Revaluation	(3,413,386)	1,519,016
Depreciation	(2,868,258)	(2,098,650)
Residual value at the end of the period	29,893,143	31,617,721

From the depreciation charge for the nine-month periods ended January 31, 2020 and 2019, \$ 2,854,015 and \$ 2,086,789 respectively, were allocated to Cost of sales and \$ 14,243 and \$ 11,861, respectively, to Administrative Expenses.

There were no transfers between levels 1, 2 and 3 during the current period.

Below is the revaluation by group of assets:

	Net book value at cost at 04.30.2019	Additions/ Retirements for the period – net	Depreciation for the period at cost value	Residual value at cost value at 01.31.2020
CT ADC	4,948,582	247,344	(354,698)	4,841,228
Building and land in Neuquén	365,353	-	(1,464)	363,889
LPG Plant	333,354	-	(26,636)	306,718
DEEF	343,382	1,633	(19,725)	325,290
Remaining assets	18,053,023	4,036,710	(2,116,850)	19,972,883
Total	24,043,694	4,285,687	(2,519,373)	25,810,008

	Residual value of revaluation at 04.30.2019	Depreciation for the period- Revaluation	Retirements of the period- Revaluation	Residual value of revaluation at 01.31.2020	Net book value at 01.31.2020
CT ADC	6,814,550	(319,329)	(2,895,135)	3,600,086	8,441,314
Building and land in Neuquén	643,795	-	(257,747)	386,048	749,937
LPG Plant	211,695	(19,034)	(130,989)	61,672	368,390
DEEF	175,366	(10,522)	(129,515)	35,329	360,619
Remaining assets	-	-	-	-	19,972,883
Total	7,845,406	(348,885)	(3,413,386)	4,083,135	29,893,143

At January 31, 2020, The Company has compared the recoverable values of its fixed assets with their carrying values, concluding that they do not exceed their recoverable values.

**NOTE 10 – NET DEFERRED TAX ASSETS / LIABILITIES**

The deferred tax net position is as follows:

	01.31.2020	04.30.2019
<b>Deferred tax assets</b>		
Deferred tax assets to be recovered after 12 months	236,853	60,796
Deferred tax assets to be recovered within 12 months	25,262	2,624
<b>Deferred tax liabilities:</b>		
Deferred tax liabilities to be recovered after 12 months	(1,898,257)	(2,556,222)
Deferred tax liabilities to be recovered within 12 months	(798,072)	(1,141,312)
<b>Net liability for deferred tax <sup>(1)</sup></b>	<b>(2,434,214)</b>	<b>(3,634,114)</b>

<sup>(1)</sup> This amount is shown in the condensed interim consolidated financial statements as follows: \$ 98,209 and \$ 17,070 under net deferred tax assets at January 31, 2020 and April 30, 2019, respectively, and \$ 2,532,423 and \$ 3,651,184 under net deferred tax liabilities at January 31, 2020 and April 30, 2019, respectively.

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Chairman



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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 10 – NET DEFERRED TAX ASSETS / LIABILITIES (CONT'D.)

The changes in deferred tax assets and liabilities, without considering the offsetting of balances referred to the same fiscal authority, are as follows:

- Deferred assets:

	Tax losses	Assets for adjustment for tax inflation	Trade accounts payable	Total
<b>Balance at April 30, 2019</b>	45,863	7,617	23,488	76,968
Charge to income/loss	155,726	3,830	25,591	185,147
<b>Balance at January 31, 2020</b>	<b>201,589</b>	<b>11,447</b>	<b>49,079</b>	<b>262,115</b>

- Deferred liabilities:

	Financial instruments at amortized cost	Property, plant and equipment	Other accounts receivables	Financial liabilities	Provisions and others	Total
<b>Balance at April 30, 2019</b>	(86,733)	(3,476,217)	(107,720)	(28,788)	(11,624)	(3,711,082)
Charge to income/loss	138,413	388,916	(102,887)	-	(262,085)	162,357
Charge to Other Comprehensive Results	-	852,396	-	-	-	852,396
<b>Balance at January 31, 2020</b>	<b>51,680</b>	<b>(2,234,905)</b>	<b>(210,607)</b>	<b>(28,788)</b>	<b>(273,709)</b>	<b>(2,696,329)</b>

Tax losses in force as of January 31, 2020 of E G WIND, for \$ 133.201, may be applied against future taxable income originated within ten years from its generation; these tax losses become statute barred as from the year ending April 30, 2028.

For the purposes of determining the net taxable profit at the end of this period, the adjustment for inflation determined in accordance with articles N ° 95 to N ° 98 of the income tax law, was incorporated into the tax result, due to the fact that the variation of the General Level Consumer Price Index (CPI) as of January 31, 2020 exceeded 30%. Likewise, the income tax law establishes the deferral of the generating charge for the tax adjustment for inflation in three fiscal years related to the April 30, 2019 and six fiscal years related to the April 30, 2020 fiscal year. Said adjustment generated a loss in the result of the period for \$ 536,1 million, exposing the liability in the line Tax payable.

### NOTE 11 - RIGHT OF USE ASSETS AND DEBT FOR LEASE

As indicated in Note 5, the Company has adopted IFRS 16 "Leases" retrospectively since May 1, 2019, but it has not changed previous-year balances included for comparative purposes, as allowed by IFRS 16 temporary provisions. Reclassifications and adjustments arising from the new lease standard are recognized in shareholders' equity at May 1, 2019.

As a consequence of IFRS 16 adoption, the Company recognized a lease liability associated with those leases that had been classified as operating leases under the prior standard (IAS 17). Such liability was measured at the present value of outstanding lease payments, discounted by applying the weighted-average incremental borrowing rate at May 1, 2019. The rate used was 6.9% annual, in dollars.

For leases classified as finance leases under the prior standard, the Company recognized a right of use asset and a lease liability in an amount equal to the carrying amount of the lease asset and liability prior to the initial application date. IFRS 16 measurement standards are applied subsequent to such date. The remeasurement of lease liabilities was recognized as an adjustment to right of use assets after initial application date.

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Chairman



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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 11 - RIGHT OF USE ASSETS AND DEBT FOR LEASE (CONT'D.)

#### Practical solutions used:

Upon first-time adoption of IFRS 16, the Company has applied the following practical solutions allowed by this standard.

- Application of a single discount rate for a portfolio of leases with similar characteristics.
- Accounting for operating leases with a remaining term shorter than 12 months at May 1, 2019 as short-term leases.
- Exclusion of initial direct costs for the measurement of the right of use assets at initial application date.
- Use of all the information available at the date of assessment to determine the lease term when the contract has extension or termination options.

#### (i) Measurement of lease liabilities

<b>Lease liability recognized as of May 1, 2019</b>	<b>05.01.2019</b>
	<b>291,774</b>
Of which corresponds:	
Current lease liability	72,944
Non-current lease liability	218,830

At January 31, 2020, the Company has recognized its lease liabilities in "Trade payables" (Note 16) under current and non-current liabilities in the amount of \$ 92,561 and \$ 164,939, respectively. Such liabilities are discounted, and their changes in the nine-month period ended January 31, 2020 are as follows:

	<b>01.31.2020</b>
Balance at the beginning by application of IFRS 16	291,774
Payments made	(50,265)
Financial update	(14,785)
Exchange and conversion differences, net	30,776
Balance at closing	257,500

#### (ii) Measurement of lease assets

The right-of-use asset was measured in an amount equal to the lease liability.

The evolution of the Company's right-of-use assets for the nine-month period ended January 31, 2020 is as follows:

	<b>Buildings</b>	<b>Machinery and equipment</b>	<b>Total</b>
Original value	248,355	43,419	291,774
Accumulated depreciation	(28,766)	(9,152)	(37,918)
Balance as of January 31, 2020	219,589	34,267	253,856

The accumulated depreciation of Buildings for \$ 28,766 is included in Administration Expenses and that of Machinery and equipment for \$ 9,152 within Production Cost.

#### (iii) Adjustments recognized in the statement of financial position as of May 1, 2019.

The change in the accounting policy affected the following items in the statement of financial position as of May 1, 2019:

- Right of use assets - increase of \$ 291,774
- Trade Accounts Payable - Lease debts - increase of \$ 291,774

The change in the accounting policy had no impact on retained earnings as of May 1, 2019.

#### (iv) Lease accounting

The Company did not make any changes to the accounting for assets recorded for operating leases as a result of the adoption of IFRS 16.

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**Notes to the Condensed Interim Consolidated Financial Statements of Financial Position**

**NOTE 12 - OTHER ACCOUNTS RECEIVABLE**

	<b>01.31.2020</b>	<b>04.30.2019</b>
<b>Non-Current</b>		
In local currency		
Income tax	-	6,915
<b>Total</b>	<b>-</b>	<b>6,915</b>
<b>Current</b>		
In local currency		
Sundry advances	16,468	32,501
Turnover tax	47,450	32,750
Value added tax	296,124	375,690
Income tax	176,174	5,609
Other tax credits	131,472	121,235
Prepaid insurance	34,318	62,180
Prepaid expenses	9,931	3,250
Assignment of CAMMESA rights	4,976	4,614
Intercompany receivables Section 33 – Law 19550 (Note 24.b))	1,558	3,034
Agreement for gas propane supply for networks to collect	33,993	85,920
Fiduciary fund gas to recover	43,632	30,789
Unconventional gas stimulus program	723,083	379,892
Sundry	4,121	11,313
In foreign currency (Exhibit G)		
Sundry advances	40,354	36,998
Assignment of CAMMESA rights	6,650	42,080
Recoveries to be recovered with Petrominera	137,098	-
Recovered	30,883	-
Sundry	10,136	-
<b>Total</b>	<b>1,748,421</b>	<b>1,227,855</b>

The fair value of other accounts receivable does not significantly differ from the carrying value.

**NOTE 13 – TRADE ACCOUNTS RECEIVABLE**

	<b>01.31.2020</b>	<b>04.30.2019</b>
<b>Non-Current</b>		
In local currency		
Doubtful accounts	2,627	3,574
Less: Provision for doubtful accounts (Exhibit E)	(2,627)	(3,574)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
In local currency		
From sale of oil and other	123,422	-
From sale of energy and others	33	73,064
Intercompany receivables Section 33 – Law 19550 (Note 23.b))	49,622	27,722
In foreign currency (Exhibit G)		
From sale of oil and others	381,566	1,201,869
From sale of energy	2,128,050	1,122,070
Intercompany receivables Section 33 – Law 19550 (Note 23.b))	10,633	7,883
<b>Total</b>	<b>2,693,326</b>	<b>2,432,608</b>

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**Notes to the Condensed Interim Consolidated Financial Statements of Financial Position**

**NOTE 14 - CASH AND CASH EQUIVALENTS**

	<b>01.31.2020</b>	<b>04.30.2019</b>
<b>Current</b>		
In local currency		
Cash	111	109
Banks	389,487	52,513
Financial instruments at amortized cost (Exhibit D)	23,845	-
Financial instruments at fair value (Exhibit D)	-	1,000,545
In foreign currency (Exhibit G)		
Cash	516	441
Banks	212,964	197,910
Financial instruments at amortized cost (Exhibit D)	305,782	8,813,813
Financial instruments at fair value (Exhibit D)	1,544,119	1,820,728
<b>Total</b>	<b>2,476,824</b>	<b>11,886,059</b>

For purposes of the statement of cash flows, cash and cash equivalents include:

	<b>01.31.2020</b>	<b>01.31.2019</b>
Cash, banks and checks to be deposited	603,078	216,928
Financial instruments at amortized cost	329,627	3,176,889
Financial instruments at fair value	1,544,119	6,604,187
Overdraft	(294,508)	-
<b>Total</b>	<b>2,182,316</b>	<b>9,998,004</b>

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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 15 - RESERVE FOR ASSETS REVALUATION

Below is a detail of the changes and breakdown of the Reserve for assets revaluation:

	CT ADC	LPG Plant	DEEF	Building and land – Neuquén	Total	Attributable to the Company	Attributable to Minority Interest
<b>Balance at April 30, 2018</b>	<b>627,083</b>	-	<b>58,557</b>	<b>88,029</b>	<b>773,669</b>	<b>764,876</b>	<b>8,793</b>
Increase for revaluation	1,327,757	87,110	104,150	-	1,519,017	1,499,019	19,998
Deferred tax	(405,965)	(26,134)	(31,245)	-	(463,344)	(457,344)	(6,000)
Result for change of the income tax rate	59,478	4,356	5,207	-	69,041	68,041	1,000
<b>Total other comprehensive results</b>	<b>981,270</b>	<b>65,332</b>	<b>78,110</b>	-	<b>1,124,712</b>	<b>1,109,716</b>	<b>14,996</b>
Reversal due to depreciation for the period <sup>(1)</sup>	(36,746)	-	(50)	-	(36,796)	(36,788)	(8)
Reversal of deferred tax <sup>(1)</sup>	11,024	-	15	-	11,039	11,036	3
<b>Subtotal for reversal of Reserve for the revaluation of assets <sup>(1)</sup></b>	<b>(25,722)</b>	-	<b>(35)</b>	-	<b>(25,757)</b>	<b>(25,752)</b>	<b>(5)</b>
<b>Balance at January 31, 2019</b>	<b>1,582,631</b>	<b>65,332</b>	<b>136,632</b>	<b>88,029</b>	<b>1,872,624</b>	<b>1,848,840</b>	<b>23,784</b>
(Reserve decrease) / Increase for revaluation	(351,898)	122,864	(1,078)	189,510	(40,602)	(46,584)	5,982
Deferred tax	113,207	(36,859)	323	(56,853)	19,818	21,613	(1,795)
Result due to change in income tax rate	(15,871)	6,143	(54)	-	(9,782)	(10,080)	298
<b>Total other comprehensive results</b>	<b>(254,562)</b>	<b>92,148</b>	<b>(809)</b>	<b>132,657</b>	<b>(30,566)</b>	<b>(35,051)</b>	<b>4,485</b>
Reversal due to depreciation for the period <sup>(1)</sup>	(17,221)	-	(5,734)	7,728	(15,227)	(14,366)	(861)
Reversal of deferred tax <sup>(1)</sup>	5,166	-	1,431	696	7,293	7,078	215
<b>Subtotal for reversal of Reservation for the revaluation of assets <sup>(1)</sup></b>	<b>(12,055)</b>	-	<b>(4,303)</b>	<b>8,424</b>	<b>(7,934)</b>	<b>(7,288)</b>	<b>(646)</b>
<b>Balance at April 30, 2019</b>	<b>1,316,014</b>	<b>157,480</b>	<b>131,519</b>	<b>229,110</b>	<b>1,834,124</b>	<b>1,806,501</b>	<b>27,623</b>
<b>Ordinary and extraordinary shareholders' meeting of August 21, 2019</b>	3,404,896	1,290	-	359,864	3,766,050	3,765,986	64
Reserve decrease	(2,895,135)	(130,989)	(129,515)	(257,747)	(3,413,386)	(3,388,890)	(24,496)
Deferred tax	723,784	31,703	32,473	64,437	852,397	847,223	5,174
<b>Total other comprehensive results</b>	<b>(2,171,351)</b>	<b>(99,286)</b>	<b>(97,042)</b>	<b>(193,310)</b>	<b>(2,560,989)</b>	<b>(2,541,667)</b>	<b>(19,322)</b>
Reversal due to depreciation for the period <sup>(1)</sup>	(319,331)	(18,901)	(11,302)	-	(349,534)	(346,917)	(2,617)
Reversal of deferred tax <sup>(1)</sup>	95,799	5,670	3,391	-	104,860	104,075	785
<b>Subtotal for reversal of depreciation for the revaluation of assets <sup>(1)</sup></b>	<b>(223,532)</b>	<b>(13,231)</b>	<b>(7,911)</b>	-	<b>(244,674)</b>	<b>(242,842)</b>	<b>(1,832)</b>
<b>Balance at January 31, 2020</b>	<b>2,326,027</b>	<b>46,253</b>	<b>26,566</b>	<b>395,664</b>	<b>2,794,511</b>	<b>2,787,978</b>	<b>6,533</b>

<sup>(1)</sup> Charged to "Retained earnings".

As of April 30, 2019, following the guidelines established in Resolution 777/18, there is a restriction on the distribution of unappropriated retained earnings equivalent to the amount of the special reserve, reversed in accordance with the guidelines of the aforementioned rules, for \$ 3.765.986, ad referendum of the Shareholders' Meeting that considers the financial statements as of April 30, 2019. The Ordinary and Extraordinary General Shareholders' Meeting of August 21, 2019 decided to allocate to the Reserve for Revaluation of Assets the amount duly reversed in accordance with the guidelines of Resolution No. 777/18.

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**Notes to the Condensed Interim Consolidated Financial Statements of Financial Position**

**NOTE 16 - TRADE ACCOUNTS PAYABLE**

	<b>01.31.2020</b>	<b>04.30.2019</b>
<b>Non-Current</b>		
In local currency		
Sundry accruals	567,053	536,066
In foreign currency (Exhibit G)		
Suppliers	354,087	352,388
Lease debt (Note 11)	164,939	-
Sundry accruals	862,519	781,222
<b>Total</b>	<b>1.948,598</b>	<b>1.669,676</b>
	<b>01.31.2020</b>	<b>04.30.2019</b>
<b>Current</b>		
In local currency		
Suppliers	1,633,275	1,609,706
Intercompany suppliers (Note 24.b)	2	3,438
Sundry accruals	310,498	171,540
In foreign currency (Exhibit G)		
Intercompany suppliers (Note 24.b)	1,947	-
Suppliers	953,447	1,308,721
Lease debt (Note 11)	92,561	-
Sundry accruals	25,439	577,457
<b>Total</b>	<b>3,017,169</b>	<b>3,670,862</b>

The carrying amount of trade accounts payable approximates to their fair value.

**NOTE 17 - FINANCIAL LIABILITIES**

	<b>01.31.2020</b>	<b>04.30.2019</b>
<b>Non-Current</b>		
In local currency		
Commissions and expenses to be accrued	(45,342)	(93,953)
In foreign currency (Exhibit G)		
Bank	72,420	96,097
Corporate bonds	18,105,000	18,018,148
<b>Total</b>	<b>18,132,078</b>	<b>18,020,292</b>
<b>Current</b>		
In local currency		
Overdrafts	294,508	-
Advance funding for maintenance of the CT ADC	65,465	89,974
Commissions and expenses to be accrued	(14,156)	(23,699)
Section 33 – Law Commercial Companies	4	-
In foreign currency (Exhibit G)		
Bank	654,133	48,510
Corporate bonds	265,056	571,200
<b>Total</b>	<b>1,265,010</b>	<b>685,985</b>

Changes in loans are as follows:

	<b>01.31.2020</b>	<b>01.31.2019</b>
<b>Balances at the beginning</b>	<b>18,706,277</b>	<b>13,714,916</b>
RECPAM	(6,085,602)	(5,922,458)
Overdrafts	294,508	-
Financial liabilities obtained	598,150	-
Accruals:		
Accrued interest	1,239,149	1,190,042
Accrued commissions and expenses	11,704	15,868
Exchange difference generated by foreign currency debts	5,953,365	9,978,164
Payments:		
Interest	(1,245,371)	(1,186,287)
Capital	(75,092)	(147,704)
<b>Balances at period-end</b>	<b>19,397,088</b>	<b>17,642,541</b>

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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 17 - FINANCIAL LIABILITIES (CONT'D)

Class II of the Negotiable Obligations, at the time of issuance, has been qualified internationally by the risk rating agencies Fitch in "B+/RR3" and Standard & Poor's in "B", and locally by Fitch in "A" and Standard & Poor's in "raA+". At the date of issuance of these financial statements, they have an international qualification of "CCC+" and "B-", respectively, by Fitch and Standard & Poor's, and a local qualification of "RR3" and "raAA-", respectively, by Fitch and Standard & Poor's.

The fair value of corporate bonds at January 31, 2020 and April 30, 2019 amounts to \$ 15,853 million and \$ 14,310 million, respectively, measured at fair value level 1.

On January 8, 2020, the Company contracted a loan with BBVA for US \$ 10.0 million, maturing on April 1, 2020, to pre-finance exports. The closing balance amounts to \$ 603,500.

### NOTE 18 – SALARIES AND SOCIAL SECURITY CONTRIBUTIONS

	01.31.2020	04.30.2019
<b>Current</b>		
In local currency		
Salaries and social security contributions	82,291	75,434
Sundry accruals	151,276	208,230
<b>Total</b>	<b>233,567</b>	<b>283,664</b>

### NOTE 19 – OTHER LIABILITIES

	01.31.2019	04.30.2019
<b>Currency</b>		
In local currency		
Oil and gas royalties	142,824	235,230
<b>Total</b>	<b>142,824</b>	<b>235,230</b>

### NOTE 20 – CONTINGENCIES

There were no significant changes in the contingencies of the Company with respect to the statements in the consolidated financial statements for the year ended April 30, 2019.

### NOTE 21 – INCOME

	Nine months to		Three months to	
	01.31.2020	10.31.2019	01.31.2020	01.31.2019
Oil (Local market)	1,492,551	1,673,430	471,879	531,334
Oil (Foreign market)	3,583,123	2,634,461	1,616,337	2,634,461
Gas	218,801	-	-	-
Gas stimulation program	976,051	751,109	363,974	205,013
Electricity <sup>(1)</sup>	6,405,710	7,875,329	1,991,951	3,077,652
LPG (local market)	342,363	601,020	90,598	206,754
LPG (foreign market)	70,850	-	47,081	-
DEEF Energy	289,435	152,471	146,904	55,326
Energy generated with hydrogen	17,602	10,625	5,602	5,717
Oxygen	4,716	5,576	1,699	2,010
Services	68,439	71,764	24,621	25,692
Other <sup>(2)</sup>	830	30,478	379	7,316
<b>Total</b>	<b>13,470,471</b>	<b>13,806,263</b>	<b>4,761,025</b>	<b>6,751,275</b>

<sup>(1)</sup> Includes the revenues generated by the gas produced by the ADC field and consumed in the CT ADC and paid by CAMMESA under the concept of the Recognition of Own Fuels for \$ 3.530.566 and \$ 4.045.837 as of January 31, 2020 and 2019, respectively.

<sup>(2)</sup> Corresponds to revenues from the "Propano Sur" and "Programa Hogar" programs.

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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 22 – OTHER OPERATING INCOME, NET

	Nine months to		Three months to	
	01.31.2020	01.31.2019	01.31.2020	01.31.2019
Income from charges for indirect administrative services consortia / UTE (net)	26,291	22,768	9,291	10,706
Not computable assessments	-	(2,566)	-	(44)
Sale of vehicles	-	1,058	-	-
Sundry	8,130	(9,871)	2,286	(5,998)
<b>Total</b>	<b>34,421</b>	<b>11,389</b>	<b>11,577</b>	<b>4,664</b>

### NOTE 23 – FINANCIAL RESULTS

	Nine months to		Three months to	
	01.31.2020	01.31.2019	01.31.2020	01.31.2019
<b>Financial income</b>				
Interest and other	509,132	491,929	130,122	235,253
Accrual of interest on accounts receivable	1,068	1,192	166	897
Exchange difference	3,729,727	5,358,248	120,790	331,434
	<b>4,239,927</b>	<b>5,851,369</b>	<b>251,078</b>	<b>567,584</b>
<b>Financial costs</b>				
Interest and other	(1,213,395)	(1,186,771)	(384,227)	(340,851)
Interest accrued from accounts payable	(19,181)	(30,970)	7,666	(10,348)
Exchange difference	(6,827,968)	(10,449,384)	(270,461)	(467,732)
	<b>(8,060,544)</b>	<b>(11,667,125)</b>	<b>(647,022)</b>	<b>(818,931)</b>

### NOTE 24 – RELATED PARTIES OF THE COMPANY

The Company is controlled by Compañías Asociadas Petroleras Sociedad Anónima (C.A.P.S.A.), which holds 75,4% of the Company's shares. Furthermore, Wild S.A. is the last group parent company with a direct and indirect interest of 98.01% in the shares of CAPSA. The remaining shares are held by shareholders who have acquired them in the Stock Market.

Transactions between related parties were conducted as if between independent parties and are as follows:

#### a) Transactions with related parties

##### a.i) With the parent company

Transactions with the parent company C.A.P.S.A. were:

	Nine months to		Three months to	
	01.31.2020	01.31.2019	01.31.2020	01.31.2019
Sale of energy	17,602	10,625	5,603	5,715
Expenses corresponding to Hychico	-	(327)	-	(109)
Expenses corresponding to C.A.P.S.A.	8,894	15,286	(770)	4,676
Expenses corresponding to Capex	(708)	(4,725)	(195)	1,270
Expenses corresponding to E G WIND	-	(3)	-	(2)
Expenses corresponding to a SEB	-	(26)	-	(9)

##### a.ii) With the companies directly or indirectly controlled by the parent company

The following transactions carried out with Interenergy Argentina S.A. were:

	Nine months to		Three months to	
	01.31.2020	01.31.2019	01.31.2020	01.31.2019
Office and garage rental	5,177	6,657	1,720	2,022
Services provided	3,109	15,023	964	4,622
Irrevocable contributions	-	1,752	-	873
Expenses corresponding to Capex	(7)	-	-	-
Expenses corresponding to Interenergy	188	-	185	-

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**Notes to the Condensed Interim Consolidated Financial Statements of Financial Position**

**NOTE 24 – RELATED PARTIES OF THE COMPANY (CONT'D.)**

*a.iii) With the related parties*

The transactions with Alparamis S.A. were:

	Nine months to		Three months to	
	01.31.2020	01.31.2019	01.31.2020	01.31.2019
Office and garage rental	45,908	(33,549)	18,451	(10,373)

*a.iv) With consortia*

The transactions with Loma Negra were:

	Nine months to		Three months to	
	01.31.2020	01.31.2019	01.31.2020	01.31.2019
Management and operation services	118,101	84,208	43,082	22,916
Prorateable expenses	20,857	22,824	7,755	5,454
Charges for indirect administration services	16,323	26,496	5,880	11,224
Expenses refund	16,716	8,621	3,441	4,708
Cash Call	625,434	595,223	196,051	184,408
Distributions to partners	(117,029)	(143,357)	(39,773)	(54,074)

The transactions with La Yesera were:

	Nine months to		Three months to	
	01.31.2020	01.31.2019	01.31.2020	01.31.2019
Management and operation services	33,590	20,200	12,521	4,355
Prorateable expenses	5,410	2,667	1,931	737
Charges for indirect administration services	13,744	4,248	4,708	1,258
Expenses refund	211	81	117	14
Cash Call	75,713	31,653	19,105	9,067
Distributions to partners	(26,811)	(4,200)	(14,445)	(1,289)

*a.v) With UTE*

The transactions with Pampa del Castillo were:

	Nine months to		Three months to	
	01.31.2020	01.31.2019	01.31.2020	01.31.2019
Management and operation services	296,800	176,527	88,216	157,175
Charges for indirect administrative services	81,127	70,486	31,961	70,486
Reimbursement of expenses	2,841	5,893	1,526	5,860
Cash call	4,555,246	1,333,165	1,562,618	1,122,441
Distributions to partners	(803,817)	(385,433)	(259,175)	(298,876)

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**Notes to the Condensed Interim Consolidated Financial Statements of Financial Position**

**NOTE 24 – RELATED PARTIES OF THE COMPANY (CONT'D.)**

b) Balances at period end with the related companies

	01.31.2020		
	Other current accounts	Current trade accounts receivable	Current accounts payable
In local currency			
<b>With the parent company:</b>			
- Compañías Asociadas Petroleras S.A.	1,368	1,425	2
<b>With the companies directly or indirectly controlled by the parent company:</b>			
- Interenergy Argentina S.A.	190	994	-
<b>With consortia / UTE:</b>			
- Río Negro Norte Area	-	24,848	-
- Lote IV La Yesera	-	17,407	-
- Pampa del Castillo	-	4,948	-
<b>Total In local currency</b>	<b>1,558</b>	<b>49,622</b>	<b>2</b>
In foreign currency (Exhibit G)			
<b>With the parent company:</b>			
- Compañías Asociadas Petroleras S.A.	-	2,430	1,947
<b>With consortia / UTE:</b>			
- Río Negro Norte Area	-	2,766	-
- Lote IV La Yesera	-	4,888	-
- Pampa del Castillo	-	549	-
<b>Total In foreign currency</b>	<b>-</b>	<b>10,633</b>	<b>1,947</b>

	04.30.2019		
	Other current accounts	Current trade accounts receivable	Current accounts payable
In local currency			
<b>With the parent company:</b>			
- Compañías Asociadas Petroleras S.A.	1,532	2,330	3,438
<b>With the companies directly or indirectly controlled by the parent company:</b>			
- Interenergy Argentina S.A.	170	400	-
<b>With consortia / UTE:</b>			
- Río Negro Norte Area	823	19,102	-
- Lote IV La Yesera	3	4,642	-
- Pampa del Castillo	506	1,248	-
<b>Total In local currency</b>	<b>3,034</b>	<b>27,722</b>	<b>3,438</b>
In foreign currency (Exhibit G)			
<b>With the parent company:</b>			
- Compañías Asociadas Petroleras S.A.	-	2,389	-
<b>With consortia / UTE:</b>			
- Río Negro Norte Area	-	1,479	-
- Lote IV La Yesera	-	705	-
- Pampa del Castillo	-	3,310	-
<b>Total In foreign currency</b>	<b>-</b>	<b>7,883</b>	<b>-</b>

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## Notes to the Condensed Interim Consolidated Financial Statements of Financial Position

### NOTE 24 –RELATED PARTIES OF THE COMPANY (CONT'D.)

#### c) Remuneration of key management personnel

Remuneration accrued to members of the senior management, for labor services rendered (salaries and other benefits) accrued at January 31, 2020 and 2019, amounts to \$ 137,465 and \$ 135,648, respectively.

### NOTE 25 - PARTICIPATION IN CONSORTIA - SUMMARY OF THE FINANCIAL SITUATION

Assets and liabilities at January 31, 2020 and April 30, 2019, and the main profit or loss amounts for the nine-month periods ended January 31, 2020 and 2019, recorded by the UTE and the Consortia in which the Company participates are detailed below.

Consortia Participation	Loma Negra 37,50%		La Yesera 18,75%		Pampa del Castillo 95%	
	01.31.2020	04.30.2019	01.31.2020	04.30.2019	01.31.2020	04.30.2019
<b>Non-current assets (1)</b>	11,415,968	2,895,116	875,639	282,342	3,403,923	1,380,789
<b>Current- assets</b>	304,973	314,502	147,829	20,421	524,389	282,410
<b>Total</b>	11,720,941	3,209,618	1,023,468	302,763	3,928,312	1,663,199
<b>Current liabilities</b>	636,395	508,353	433,948	77,501	1,228,242	1,155,192
<b>Total</b>	636,395	508,353	433,948	77,501	1,228,242	1,155,192
	<b>01.31.2020</b>	<b>01.31.2019</b>	<b>01.31.2020</b>	<b>01.31.2019</b>	<b>01.31.2020</b>	<b>01.31.2019</b>
<b>Production costs (1)</b>	(459,234)	(125,104)	(159,569)	(74,635)	(2,039,910)	(1,257,960)

(1) They do not include charges for deterioration of property, plant and equipment since they are registered by the participating partners of the UTE and the Consortia.

### NOTE 26 – NEW HYDROCARBON AREAS

#### Bella Vista Oeste Block I

In May 2019, Petrominera Chubut S.E. (PMC) launched a call for National and International Public Bid No. 2/19 with the aim of awarding exclusive rights for the operation, transport and commercialization of hydrocarbons within the area of the Bella Vista Oeste Block I, in the Province of Chubut. The Company participated in the Bid and its Economic Tender was accepted on September 2, 2019. In October 2019, the Company entered into a concession contract for 25 years with PMC, subject to approval from the Executive Branch and the Legislative Branch of the Province of Chubut. According to the concession contract, Capex may request 10-year term extensions, provided always it meets its obligations as a concessionaire, produces hydrocarbons in the area and submits an investment plan. The related contract was approved by the Executive Branch of the Province of Chubut through Decree No. 14/20, dated January 6, 2020, and subsequently, by the Legislative Branch of the Province of Chubut through Law IX No. 148. In January 2020 Capex paid PMC the initial payment of millions of US \$ 4.5 and will pay a Variable Bonus quarterly during the concession period, in accordance with the provisions of the agreement (concepts that will be taken into account at the time of the registration of the price of the area). The validity of the concession is from February 1, 2020 and the committed investment plan is US \$ 50.1 million. As of January 31, 2020, the amount paid is disclosed as “Advances” in the Property, Plant and Equipment item.

#### Parva Negra Oeste

In the framework of Neuquén Exploration Plan, Gas y Petróleo del Neuquén S.A. launched the 7th invitation for bids for the exploration, development and potential operation of a series of hydrocarbon areas. On July 25, 2019 the Company submitted a bid for the Parva Negra Oeste area, which was awarded. The area is in a good location for the possible development of Vaca Muerta formation. On November 5, 2019, the Company and GyP entered into a contract for the exploration, development and production of the area, including investments in exploration works, for approximately US\$ 19 million, to take place within the

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### **Notes to the Condensed Interim Consolidated Financial Statements of Financial Position**

#### **NOTE 26 – NEW HYDROCARBON AREAS (CONT'D.)**

First Exploration Period. The conditions of the bid include a payment of US\$ 5.5 million to the Province of Neuquén for the right of access to the area. Upon compliance with certain conditions and if commercially exploitable hydrocarbons are found, GyP will apply for a Concession for Exploitation of Non-Conventional Hydrocarbons for 35 years, in the framework of the above-mentioned contract. On November 22, 2019 the Province of Neuquén published in the Official Gazette Decree No. 2499/19 that approves the aforementioned contract. Being in an exploratory stage, the area does not have reserves or generates cash flows, which is why the operation was considered as an asset acquisition.

#### **Puesto Zúñiga**

In November 2019, the Secretariat of Energy of the Government of Rio Negro called for the National and International Public Tender No. 1/19 for the award of exclusive rights for hydrocarbon exploration and potential exploitation concession, transportation and commercialization over the Puesto Zúñiga area, in the Province of Rio Negro. The Company participated in the Tender by submitting an offer on November 28, 2019. On February 6, 2020, the Rio Negro Government's Energy Secretariat approved the Capex rating and pre-awarded to it the Puesto Zúñiga Area. As of the date of issuance of these financial statements, the Competition Pre-Award Commission is preparing an opinion for the Province with the evaluation of the offer and the advisability of awarding the exploration permit.

#### **NOTE 27 - SUBSEQUENT EVENTS**

Capex contracted the following loans:

- (i) With Banco Patagonia for a total of US \$ 3.0 million, maturing on March 31, 2020 applied to pre-financing of exports.
- (ii) With Banco Macro for a total of US \$ 6.5 million, maturing on March 31, 2020 applied to pre-financing of exports.

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**EXHIBIT A**

At January 31, 2020 and April 30, 2019

**Property, plant and equipment**

This exhibit is part of these condensed interim consolidated financial statements

Items	ORIGINAL VALUE					DEPRECIATION					Net book value at 01.31.20	Net book value at 04.30.19
	At the beginning of year	Additions	Completed work in progress	Retirements / Recovery	Decrease Technical Revaluation	At period / year - end	Accumulated at the beginning of year	For the period	Decrease / Increase revaluation <sup>(1)</sup>	Accumulated at period / year-end		
<b>Operation activities of oil and gas:</b>												
<b>- Areas acquired and other studies</b>												
Agua del Cajón – Operation rights	1,579,738	-	-	-	-	1,579,738	897,642	34,616	-	932,258	647,480	682,096
Río Negro Norte	511,244	-	-	-	-	511,244	72,794	80,817	-	153,611	357,633	438,450
La Yesera	153,228	-	-	-	-	153,228	20,625	13,946	-	34,571	118,657	132,603
Pampa del Castillo	472,479	-	-	-	-	472,479	27,144	32,686	-	59,830	412,649	445,335
<b>- Other Studies</b>												
Agua del Cajón – Exploration	81,496	-	-	-	-	81,496	65,858	794	-	66,652	14,844	15,638
Agua del Cajón – Seismic	122,382	-	-	-	-	122,382	90,412	1,622	-	92,034	30,348	31,970
<b>- Assets for the production of oil in Agua del Cajón, Neuquen</b>												
Oil and gas wells	19,022,328	123,917	1,950,023	-	-	21,096,268	10,059,182	1,044,600	-	11,103,782	9,992,486	8,963,146
Work in progress	1,379,891	1,204,260	(1,969,678)	-	-	614,473	-	-	-	-	614,473	1,379,891
Production assets	1,465,124	-	19,655	-	-	1,484,779	933,458	50,799	-	984,257	500,522	531,666
Vehicles	89,147	3,693	-	-	-	92,840	29,736	11,791	-	41,527	51,313	59,411
Gas Pipeline	476,393	-	-	-	-	476,393	425,588	5,445	-	431,033	45,360	50,805
<b>- Assets for the production of oil in Loma Negra and La Yesera Rio Negro<sup>(2)</sup></b>												
Oil and gas wells	-	-	-	-	-	-	-	-	-	-	-	-
Production assets	474,869	7,710	447,381	-	-	929,960	85,038	133,580	-	218,618	711,342	389,831
Work in progress	65,233	-	148,096	-	-	213,329	13,142	38,957	-	52,099	161,230	52,091
	385,306	330,632	(595,477)	-	-	120,461	-	-	-	-	120,461	385,306
<b>- Oil and gas exploration assets in Parva Negra Oeste</b>												
Right of exploration	-	349,140	-	-	-	349,140	-	-	-	-	349,140	-
<b>- Goods for the production of oil and gas in Bella Vista Oeste, Chubut Advances</b>												
	-	332,533	-	-	-	332,533	-	-	-	-	332,533	-
Brought forward	26,278,858	1,670,212	-	-	-	27,949,070	12,720,619	1,449,653	-	14,170,272	13,778,798	13,558,239



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**EXHIBIT A (CONT'D.)**

At January 31, 2020 and April 30, 2019

**Property, plant and equipment**

This exhibit is part of these condensed interim consolidated financial statements.

Items	ORIGINAL VALUE						DEPRECIATION				Net book value at 01.31.2020	Net book value at 04.30.2019
	At the beginning of year	Additions	Completed works in progress	Retirements / Recovery	Decrease / Increase revaluation <sup>(1)</sup>	At period / year-end	Accumulated at the beginning of year	For the period	Decrease / Increase revaluation <sup>(1)</sup>	Accumulated at period / year-end		
Brought forward	26,278,858	1,670,212	-	-	-	27,949,070	12,720,619	1,449,653	-	14,170,272	13,778,798	13,558,239
<b>- Assets for the production of oil and gas in Pampa del Castillo Chubut</b>												
Oil and gas wells	1,590,121	15,856	1,720,676	-	-	3,326,653	162,068	516,265	-	678,333	2,648,320	1,428,053
Production assets	480,113	-	56,572	-	-	536,685	62,620	86,107	-	148,727	387,958	417,493
Work in progress	614,050	1,546,976	(1,777,248)	-	-	383,778	-	-	-	-	383,778	614,050
<b>Other tangible assets</b>												
<b>Central administration and plant administration</b>												
Neuquén land and buildings	1,057,100	-	-	-	(257,747)	799,353	47,952	1,464	-	49,416	749,937	1,009,148
Administration assets	151,917	32,484	-	-	-	184,401	125,202	12,781	-	137,983	46,418	26,715
<b>Power Station Agua del Cajón</b>												
CT ADC (1)	25,720,816	-	228,411	-	(2,895,135)	23,054,092	14,106,668	674,028	-	14,780,696	8,273,396	11,614,148
Work in progress	148,985	247,342	(228,411)	-	-	167,916	-	-	-	-	167,916	148,985
<b>Eolic Energy</b>												
Work in progress	416	8,879	-	-	-	9,295	-	-	-	-	9,295	416
<b>LPG Plant – Agua del Cajón</b>												
LPG plant <sup>(1)</sup>	2,509,550	-	-	-	(792,775)	1,716,775	1,964,500	45,670	(661,786)	1,348,384	368,391	545,050
<b>Diadema Eolic Park (DEP)</b>												
DEP <sup>(1)</sup>	867,124	1,633	-	-	(221,524)	647,233	348,377	30,247	(92,009)	286,615	360,618	518,747
<b>Diadema Eolic Park (DEP II)</b>												
DEP II	-	-	2,050,369	-	-	2,050,369	-	37,317	-	37,317	2,013,052	-
Construction in progress	1,956,820	90,505	(2,047,325)	-	-	-	-	-	-	-	-	1,956,820
Financial results capitalized	47,466	(23,167)	-	-	-	24,299	-	706	-	706	23,593	47,466
Advances	3,770	(726)	(3,044)	-	-	-	-	-	-	-	-	3,770
<b>Hydrogen and oxygen plant</b>												
Hydrogen and oxygen plant	366,278	(1,188)	-	-	-	365,090	147,235	14,020	-	161,255	203,835	219,043
Provision for hydrogen and oxygen plant	(219,043)	-	-	15,208	-	(203,835)	-	-	-	-	(203,835)	(219,043)
<b>Total at January 31, 2020</b>	<b>61,574,341</b>	<b>4,270,479</b>	<b>-</b>	<b>15,208</b>	<b>(4,167,181)</b>	<b>61,692,847</b>	<b>29,685,241</b>	<b>2,868,258</b>	<b>(753,795)</b>	<b>31,799,704</b>	<b>29,893,143</b>	<b>-</b>
<b>Total at April 30, 2019</b>	<b>50,318,429</b>	<b>9,011,063</b>	<b>-</b>	<b>(8,603)</b>	<b>2,253,453</b>	<b>61,574,342</b>	<b>26,185,208</b>	<b>2,728,099</b>	<b>771,935</b>	<b>29,685,242</b>	<b>-</b>	<b>31,889,100</b>

(1) See note 9



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**EXHIBIT D**

At January 31, 2020 and April 30, 2019

This exhibit is part of these condensed interim consolidated financial statements.

**OTHER INVESTMENTS**

Principal account and characteristics	Book value at 01.31.20	Book value at 04.30.19
	\$	\$
<b>CURRENT ASSESTS</b>		
<b>Cash and cash equivalents</b>		
In local currency		
Financial instruments at fair value		
Mutual funds	-	1,000,545
Financial instruments at amortized cost		
Financial placements	23,845	-
In foreign currency (Exhibit G)		
Financial instruments at amortized cost		
Paid account	3,888	207,391
Term deposits	301,894	8,606,422
Financial instruments at fair value		
Mutual funds	1,544,119	1,820,728
Public titles	-	-
Total current other investments	<b>1,873,746</b>	<b>11,635,086</b>
<b>NON-CURRENT ASSESTS</b>		
Other investments not current		
In foreign currency (Exhibit G)		
Financial investments at fair value with change in other comprehensive income		
Debt securities	8,075,516	-
Total non-current other investments	<b>8,075,516</b>	-





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**EXHIBIT E**

At January 31, 2020 and April 30, 2019

This exhibit is part of these condensed interim consolidated financial statements.

**PROVISIONS**

Items	Balance at the beginning of year	(Recoveries) / Increases <sup>(1)</sup>	Balance at period – end
	\$	\$	\$
<b>DEDUCTED FROM ASSETS</b>			
<b><u>NON-CURRENT ASSETS</u></b>			
Property, plant and equipment			
In local currency	-	-	-
Impairment of property, plant and equipment	(219,044)	15,209	(203,835)
Trade accounts receivable			
In local currency			
Provision for doubtful accounts	3,574	(947)	2,627
Total deducted from assets	(215,470)	14,262	(201,208)
<b>INCLUDED IN LIABILITIES</b>			
<b><u>NON-CURRENT LIABILITIES</u></b>			
Provisions			
In local currency			
For lawsuits and fines	3,374	(894)	2,480
Total included in liabilities	3,374	(894)	2,480
Total provisions	(212,096)	13,368	(198,728)

<sup>(1)</sup> Charged to Other financial income.



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**EXHIBIT F**

At January 31, 2020 and 2019

This exhibit is part of these condensed interim consolidated financial statements.

**COST OF INCOME**

	Nine months to		Three months to	
	01.31.2020	01.31.2019	01.31.2020	01.31.2019
Inventories and spare parts and materials at the beginning of year <sup>(1)</sup>	1,197,395	822,692	1,601,225	956,015
Plus:				
- Addition to warehouses	683,173	1,092,718	244,224	1,018,781
- Acquisition of crude of resale	149,719	81,125	80,663	81,125
- Production cost (Exhibit H)	7,468,607	5,353,374	2,610,840	2,931,606
- Inventories owed to third parties	-	131,150	-	131,150
Less:				
- Consumption	(748,525)	(584,702)	(183,371)	(148,929)
Inventories and spare parts and materials at period end <sup>(1)</sup>	(1,847,631)	(1,332,396)	(1,847,631)	(1,332,396)
Cost of income	<b>6,902,738</b>	<b>5,563,961</b>	<b>2,505,950</b>	<b>3,637,352</b>

<sup>(1)</sup> Includes inventories and spare parts and materials net of advances to suppliers.



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**EXHIBIT G**

At January 31, 2020 and April 30, 2019

This exhibit is part of these condensed interim consolidated financial statements.

**FOREIGN CURRENCY ASSETS AND LIABILITIES**

Items	01.31.2020				04.30.2019			
	Class	Amount in thousands of US\$	Exchange rate	Amount in \$	Class	Amount in thousands of US\$	Exchange rate	Amount in \$
<b>ASSETS</b>								
<b>NON-CURRENT ASSETS</b>								
<b>Financial investments at fair value</b>	US\$	134,256	60.15	8,075,516				
<b>Spare parts and materials</b>								
Sundry advances	US\$	415	60.15	24,975	US\$	503	43.95	22,086
<b>Total Non-Current Assets</b>				<b>8,100,491</b>				<b>22,086</b>
<b>CURRENT ASSETS</b>								
<b>Spare parts and materials</b>								
Sundry advances	US\$	104	60.15	6,244	US\$	126	43.95	7,512
<b>Other accounts receivable</b>								
Sundry advances	US\$	671	60.15	40,354	US\$	619	43.95	36,998
Assignment of rights CAMESA	US\$	111	60.15	6,650	US\$	704	43.95	42,080
Recoveries		513	60.15	30,883		-	-	-
Credit to be recovered with Ptrominera	US\$	2,279	60.15	137,098	-	-	-	-
Sundry	US\$	169	60.15	10,136	-	-	-	-
<b>Trade accounts receivable</b>								
Intercompany receivables Sect. 33 – Law 19550	US\$	177	60.15	10,633	US\$	132	43.95	7,883
For sale of energy	US\$	6,344	60.15	381,566	US\$	20,102	43.95	1,201,869
For sale of oil and others	US\$	35,379	60.15	2,128,050	US\$	18,767	43.95	1,122,070
<b>Cash and cash equivalents</b>								
Cash	US\$	5	60.15	279	US\$	1	43.95	67
Cash	€	4	66.59	237	€	6	48.50	374
Banks	US\$	3,541	60.15	212,964	US\$	3,310	43.95	197,910
Financial instruments at fair value	US\$	25,671	60.15	1,544,119	US\$	30,453	43.95	1,820,728
Financial instruments at amortized cost	US\$	5,084	60.15	305,782	US\$	147,417	43.95	8,813,813
<b>Total Current Assets</b>				<b>4,814,995</b>				<b>13,251,304</b>
<b>Total assets</b>				<b>12,915,486</b>				<b>13,281,349</b>
<b>LIABILITIES</b>								
<b>NON-CURRENT LIABILITIES</b>								
<b>Trade accounts payable</b>								
Suppliers	US\$	5,867	60.35	354,087	US\$	5,867	44.15	352,388
Sundry accruals	US\$	14,292	60.35	862,519	US\$	13,007	44.15	781,222
Lease debts	US\$	2,733	60.35	164,939	-	-	-	-
<b>Financial liabilities</b>								
Bank	US\$	1,200	60.35	72,420	US\$	1,600	44.15	96,097
Corporate bonds	US\$	300,000	60.35	18,105,000	US\$	300,000	44.15	18,018,148
<b>Total Non-Current Liabilities</b>				<b>19,558,965</b>				<b>19,247,855</b>
<b>CURRENT LIABILITIES</b>								
<b>Trade accounts payable</b>								
Suppliers	US\$	15,798	60.35	953,447	US\$	21,790	44.15	1,308,721
Intercompany suppliers Sect. 33 – Law 19550	US\$	32	60.35	1,947	-	-	-	-
Sundry accruals	US\$	422	60.35	25,439	US\$	9,615	44.15	577,457
Lease debts	US\$	1,534	60.35	92,561	-	-	-	-
<b>Financial liabilities</b>								
Bank	US\$	10,839	60.35	654,133	US\$	808	44.15	48,510
Corporate bonds	US\$	4,392	60.35	265,056	US\$	9,510	44.15	571,200
<b>Total Current Liabilities</b>				<b>1,992,583</b>				<b>2,505,888</b>
<b>Total Liabilities</b>				<b>21,551,548</b>				<b>21,753,743</b>



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**EXHIBIT H**

**INFORMATION REQUIRED BY SECT. 64, SUB-SECT. B) OF LAW 19550**

For the nine and three-month periods beginning on May 1, 2019 and 2018, and ended on January 31, 2020 and 2019

This exhibit is part of these condensed interim consolidated financial statements

Items	Nine months to 01.31.2020					Three months to 01.31.2020				
	Preoperative expenses	Production cost	Selling expenses	Administrative expenses	Total	Preoperative expenses	Production cost	Selling expenses	Administrative expenses	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Fees and other compensation	2,726	47,187	-	46,317	96,230	65	19,277	-	15,489	34,831
Salaries and social security contributions	-	921,162	-	264,029	1,185,191	-	312,920	-	97,108	410,028
Materials, spare parts and others	-	430,783	-	35	430,818	-	95,183	-	-	95,183
Operation, maintenance and repairs	-	948,054	-	49,325	997,379	-	378,720	-	15,277	393,997
Fuel, lubricants and fluids	-	485,908	-	-	485,908	-	137,631	-	-	137,631
Transportation, freight and studies	-	97,976	-	3,579	101,555	-	34,547	-	1,118	35,665
Depreciation of Property, plant and equipment	-	2,854,015	-	14,243	2,868,258	-	1,204,673	-	5,141	1,209,814
Depreciation of right of use asset	-	9,152	-	28,766	37,918	-	6,101	-	22,229	28,330
Office, travel and representation expenses	549	27,860	-	3,777	32,186	-	12,562	-	698	13,260
Taxes, rates, contributions, insurance and rental	54	167,225	-	62,480	229,759	-	52,308	-	43,033	95,341
Transport of gas expenses	-	62,589	-	-	62,589	-	17,536	-	-	17,536
Acquisition of third-party gas	-	1,416,467	-	-	1,416,467	-	339,229	-	-	339,229
Royalties	-	-	1,226,126	-	1,226,126	-	-	392,836	-	392,836
Cost of transport and energy deliveries	-	-	119,885	-	119,885	-	-	46,053	-	46,053
Export duties	-	-	260,696	-	260,696	-	-	105,737	-	105,737
Turnover tax	-	-	333,072	-	333,072	-	-	55,831	-	55,831
Commissions and other	621	-	3,728	-	4,349	-	-	2,320	-	2,320
Bank charges	-	-	-	170,800	170,800	-	-	-	51,303	51,303
Energy acquisition	-	229	-	-	229	-	153	-	-	153
<b>Total</b>	<b>3,950</b>	<b>7,468,607</b>	<b>1,943,507</b>	<b>643,351</b>	<b>10,059,415</b>	<b>65</b>	<b>2,610,840</b>	<b>602,777</b>	<b>251,396</b>	<b>3,465,078</b>



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**EXHIBIT H (CONT'D.)**

**INFORMATION REQUIRED BY SECT. 64, SUB-SECT. B) OF LAW 19550**

For the nine and three-month periods beginning on May 1, 2019 and 2018, and ended on January 31, 2020 and 2019

This exhibit is part of these condensed interim consolidated financial statements

Items	Nine months to 01.31.2019					Three months to 01.31.2019				
	Preoperative expenses	Production cost	Selling expenses	Administrative expenses	Total	Preoperative expenses	Production cost	Selling expenses	Administrative expenses	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Fees and other compensation	6,142	38,189	-	30,605	74,936	4,278	13,922	-	10,435	28,635
Salaries and social security contributions	-	736,103	-	243,383	979,486	-	292,453	-	96,273	88,726
Materials, spare parts and others	-	226,533	-	28	226,561	-	129,380	-	3	129,383
Operation, maintenance and repairs	-	731,948	-	53,199	785,147	-	377,152	-	13,731	390,883
Fuel, lubricants and fluids	-	350,795	-	-	350,795	-	147,807	-	-	147,807
Transportation, freight and studies	-	70,690	-	4,559	75,249	-	32,480	-	1,148	33,628
Depreciation of Property, plant and equipment	-	2,086,789	-	11,861	2,098,650	-	929,705	-	3,607	933,312
Office, travel and representation expenses	740	17,820	-	26,318	44,878	321	7,332	-	5,599	13,252
Taxes, rates, contributions, insurance and rental	269	96,958	-	51,731	148,958	17	37,084	-	20,191	57,292
Transport of gas expenses	-	53,016	-	-	53,016	-	19,850	-	-	19,850
Third party gas acquisition	-	944,392	-	-	944,392	-	944,392	-	-	944,392
Royalties	-	-	1,141,928	-	1,141,928	-	-	340,527	-	340,527
Cost of transport and energy deliveries	-	-	95,896	-	95,896	-	-	49,267	-	49,267
Export duties	-	-	331,249	-	331,249	-	-	331,249	-	331,249
Turnover tax	-	-	324,319	-	324,319	-	-	120,464	-	120,464
Commissions and other	6,516	-	11,805	4,259	22,580	1,024	-	1,917	1,292	4,233
Bank charges	-	-	-	125,178	125,178	-	-	-	48,775	48,775
Energy acquisition	-	141	-	-	141	-	49	-	-	49
<b>Total</b>	<b>13,667</b>	<b>5,353,374</b>	<b>1,905,197</b>	<b>551,121</b>	<b>7,823,359</b>	<b>5,640</b>	<b>2,931,606</b>	<b>843,424</b>	<b>201,054</b>	<b>3,981,724</b>



## SUMMARY OF ACTIVITY

### REFERRED TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF

#### CAPEX S.A. AS OF JANUARY 31, 2020

(stated in thousands of pesos)

**a) Comments on the comprehensive results and consolidated financial position at January 31, 2020** (Not covered by the report on the condensed interim consolidated financial statements).

#### **Consolidated Statement of Comprehensive Results**

	01/31/2020	01/31/2019	Variation	
Income	13,470,471	13,806,263	(335,792)	-2.4%
Cost of Income	(6,902,738)	(5,563,961)	(1,338,777)	24.1%
<b>Gross Profit</b>	<b>6,567,733</b>	<b>8,242,302</b>	<b>(1,674,569)</b>	<b>-20.3%</b>
Preoperative expenses	(3,950)	(13,667)	9,717	-71.1%
Selling expenses	(1,943,507)	(1,905,197)	(38,310)	2.0%
Administrative expenses	(643,351)	(551,121)	(92,230)	16.7%
Other operating income, net	34,421	11,389	23,032	202.2%
<b>Operating result</b>	<b>4,011,346</b>	<b>5,783,706</b>	<b>(1,772,360)</b>	<b>-30.6%</b>
Financial Income	4,239,927	5,851,369	(1,611,442)	-27.5%
Financial Costs	(8,060,544)	(11,667,125)	3,606,581	-30.9%
Other Financial Income	15,556	(18,610)	34,166	183.6%
Other financial results – RECPAM	2,014,589	1,910,889	103,700	5.4%
<b>Result before income tax</b>	<b>2,220,874</b>	<b>1,860,229</b>	<b>360,645</b>	<b>19.4%</b>
Income tax	118,785	(879,209)	997,994	113.5%
<b>Net result of the period</b>	<b>2,339,659</b>	<b>981,020</b>	<b>1,358,639</b>	<b>138.5%</b>
<b>Other Comprehensive Income</b>				
With future allocation to results	5,711	-	5,711	100.0%
With no future allocation to results	(2,560,989)	1,124,712	(3,685,701)	-327.7%
<b>Comprehensive Result of the Period</b>	<b>(215,619)</b>	<b>2,105,732</b>	<b>(2,321,351)</b>	<b>-110.2%</b>

In order to analyze the changes, it should be taken into account that the balances at January 31, 2019 disclosed below arise from the restatement of the balances at that date in terms of unit of measurement at January 31, 2020, following the guidelines detailed in Note 4 of the interim consolidated financial statements as of January 31, 2020.

The comparative evolution of the results as of January 31, 2020 with respect to January 31, 2019 was as follows:

- The gross profit for the period ended January 31, 2020 was \$ 6,567,733 (profit), or 48.8% of sales, while in the same period of the previous year it amounted to \$ 8,242,302 (profit) or 59.7% of sales at January 31, 2019. The gross profit decreased by 20.3%.
- Operating result in the period ended January 31, 2020 was of \$ 4,011,346 (profit), compared to \$ 5,783,706 (profit) for the same period of the prior year, representing a decrease of 30.6%.
- Net result of the period amounted to \$ 2,339,659 (profit) in the period ended January 31, 2020, compared to \$ 981,020 (profit) in the prior period.
- Other comprehensive income with no future allocation to results, which has an impact on the reserve for assets revaluation, being the same stated in real terms, amounted to \$ 2,560,989 (loss) as a result of the application of the inflation adjustment, net of the tax effect, of certain items of Property, plant and equipment stated at fair value (accounting revaluation). As of January 31, 2019, they amounted to \$ 1,124,712 (profit) as a result of the revaluation of certain assets in the item Property, plant and equipment registered in the period ended on that date.
- The comprehensive result was of \$ 215,619 (loss) in the period ended January 31, 2020, compared to \$ 2,105,732 (profit) for the same period of the previous year, representing a decrease of 110.2%.

## Income

Product	01/31/2020	01/31/2019	Variation	
<b>Energy</b>				
Energy CT ADC <sup>(1)</sup>	6,405,710	7,875,329	(1,469,619)	-18.7%
Energy DEEF	289,435	152,471	136,964	89.8%
<b>Façon Service of electric energy</b>	17,602	10,625	6,977	65.7%
<b>Gas</b>	218,801	-	218,801	100.0%
<b>Gas stimulus program</b>	976,051	751,109	224,942	29.9%
<b>Oil</b>	5,075,675	4,307,891	767,784	17.8%
<b>Propane</b>	269,519	400,331	(130,812)	-32.7%
<b>Butane</b>	144,524	231,167	(86,643)	-37.5%
<b>Oxygen</b>	4,716	5,576	(860)	-15.4%
<b>Services</b>	68,438	71,764	(3,326)	-4.6%
<b>Total</b>	<b>13,470,471</b>	<b>13,806,263</b>	<b>(335,792)</b>	<b>-2.4%</b>

(1) At January 31, 2020 and 2019 it includes income generated by the gas produced at the ADC area, Loma Negra and La Yesera, consumed in the CT ADC, and paid by CAMMESA under the concept Own Fuel Recognition. Likewise, as of November 2018, the third party gas and consumed in the CT ADC is included in this item.

Income for the period ended on January 31, 2020 decreased by 2.4% compared with the same period of the previous year. The evolution of each product was as follows:

### a) Energy:

The income generated by CT ADC operations measured in pesos decreased by \$ 1,469,619, representing a drop of 18.7%, from \$ 7,875,329 as of January 31, 2019 \$ 6,405,710 as of January 31, 2020. This revenue is associated with remuneration from the generation of energy and the remuneration recognized by CAMMESA for gas consumed.

The revenue associated with the remuneration for energy generation decreased by 24.9%. This variation is mainly to: i) a decrease in generation by 10.3%, chiefly due to scheduled maintenance tasks performed for the period in TV07 and ii) a decrease of 16.3% in the average sales price on GW sold, from an average \$ / MWh 1,113.9 in the period ended January 31, 2019 to average \$ / MWh 932.5 in the period ended January 31, 2020, as a result of the lower value of the energy and remunerated power based on the rate schedule implemented by Resolution SRRME 1/2019. Resolution SRRME 1/2019, effective since March 2019, set lower values of energy and power to those in force at February 2019. The greater evolution of the price of the US dollar with respect to the evolution of inflation did not manage to offset this effect.

Revenue associated to the remuneration recognized by CAMMESA to Capex for the gas produced by the ADC, Loma Negra, La Yesera areas and the third-party gas decreased by 12.7%, due to the drop in value of gas recognized to Capex per million btu from US\$ 4.06 to an average of US\$ 2.50 for the nine-month period ended on January 31, 2020, as a result of the application of the maximum prices established by Resolution No. 46/2018 of the Ministry of Energy, the auctions made by CAMMESA for the acquisition of natural gas for the generation of electricity as from September 2018 and gas cost statements made by Capex. The higher price of the US dollar vis-à-vis the evolution of inflation and the higher remunerated volume of gas (64%) as a result of the volume purchased from third parties as of November 2018, failed to offset this effect.

Income from the remuneration of gas is included within the Oil and Gas segment (Note 8 to the Condensed Interim Consolidated Financial Statements). The own production gas consumed by the CT ADC slightly decreased by 11.1% because part of it was destined for sale for market reasons.

Income of energy from the DEEF measured in pesos increased by \$ 136,964 representing an increment of 89.8%, from \$ 152,471 for the nine-month period ended January 31, 2019 to \$ 289,435 for the nine-month period ended January 31, 2020. This increase was due to the opening of the DEEF II wind farm, owned by E G WIND, which was commercially enabled in September 2019. Sales measured in GWh were 61.5 and 22.0 at January 31, 2020 and 2019, respectively. The average price of sales was \$ 4,703.6 and \$ 6,930.5 at January 31, 2020 and 2019, respectively. The prices per MWh agreed for the DEEF and DEEF II are US\$ 115,896 and US\$ 40.27, respectively.

On February 26, 2020, the Secretariat of Energy of the Ministry of Productive Development published Resolution No. 31/2020, whereby values remunerated through Resolution Res 1/2019 issued by the former Secretariat of Renewable Resources and Electricity Market (SRRyME) were pesified as from February 1, 2020. The values expressed in pesos will be updated monthly based on an update factor, which will arise from the sum of 60% of the variation in the Consumer Price Index (CPI) plus 40% of the variation in the Price Index Wholesale Internal (IPIM). This update will apply from the transaction corresponding to the second month of validity of the resolution. Capex will monitor the effective compliance with the new resolution (see Note 3 to the Condensed Interim Consolidated Financial Statements).

b) Façon Service of electric energy

Facon services for the generation of electricity with natural gas and hydrogen measured in pesos increased by \$ 6,977 representing a rise of 65.7%, from \$ 10,625 at January 31, 2019 to \$ 17,602 at January 31, 2020. This increment is produced by the increase of 68% in the volume sold during the period ended January 31, 2020 due to the fact that, at the same period of the preceding financial year, maintenance work was being carried out in the plant, in the months of July, August and September 2018.

c) Gas

Gas production decreased by 0.5%, from 430,780 thousands m<sup>3</sup> as of January 31, 2019 to 428,776 thousands m<sup>3</sup> as of January 31, 2020. Capex has been keeping the level of gas production by means of the investments made, mainly encouraged by the stimulus programs. The production of gas from its participation in the Consortia with concessions in Loma Negra and La Yesera areas, in the province of Río Negro, increased by 122.7% from an average of 115 m<sup>3</sup> per day at January 31, 2019 to an average of 256 m<sup>3</sup> per day at January 31, 2020.

At January 31, 2020 Capex has used 96% of the production of gas originating from the Agua del Cajón area, for the generation of electricity in CT ADC and the operation of the LPG plant, allocating the rest for sale. Under the framework of the Incentive Program for the Investments in Developments of Natural Gas Production from Unconventional Reservoirs, the Company has submitted the affidavits of the Agua del Cajón Area corresponding to the periods January 2018 – December 2019 and the bond insurance policies in order to request the payment of the program. The Ministry of Energy authorized all final economic compensations requested for the period January 2018 – March 2019 for approximately \$ 646.6 million and the provisional payment equivalent to 85% of the economic compensations requested for the months of April and May 2019 for approximately \$ 138.7 million (both them expressed in historical cost). The Company has recorded under Income the total incentive which complies with the conditions set forth in Resolution No. 419 E/2017, by \$ 976,051 and \$ 751,109 at January 31, 2020 and 2019, respectively.

In the period ended January 31, 2020 Capex sold \$ 218,801 corresponding to the delivery of 45,437 thousands m<sup>3</sup> originating from the areas Agua del Cajón and Loma Negra areas at an average of US\$/ m<sup>3</sup> 0.1305 (or US\$ 2.4 million thousand BTU). The remaining gas was used for the generation of electric energy in the CT ADC and in the operation of the LPG plant.

d) Oil:

Income of oil increased by \$ 767,784 representing an increase in 17.8%. Revenues in pesos in the external market increased 36%, while local revenues in pesos decreased 10.8%.

The increase in revenues in the foreign market of \$ 948,663 comes from crude oil exports from the production of the Pampa del Castillo - La Guitarra area in the Province of Chubut (as of August 2018), with an increase of 28.2% in the exported volume, going from 110,921 m<sup>3</sup> (697,674 bbl) as of January 31, 2019 to 142,196 m<sup>3</sup> (894,383 bbl) as of January 31, 2020. Additionally, there was a 6.1% increase in the an average sale price as a consequence of the increase in international prices.

Local sales decreased by 10.8%, from \$ 1,673,430 as of January 31, 2019 to \$ 1,492,551 as of January 31, 2020 due to a 12.9% drop in the average price in pesos, as a result of the reduction in the average dollar price agreed between the parties and the application of Necessity and Urgency Decree No. 566/19 dated August 15, 2019, which sets the reference price of BRENT crude oil at USD/bbl 59. The decree also established a reference exchange rate that affected the average price in pesos and it was valid for 90 days from August 16, 2019. This decrease in the local average price was partially offset by a 2.4% increase in the volume of m<sup>3</sup> sold, from 71,206 m<sup>3</sup> as of January 31, 2019 to 72,930 m<sup>3</sup> as of January 31, 2020.

Oil production increased by 59.7%, from 151,450 m<sup>3</sup> as of January 31, 2019 to 241,858 m<sup>3</sup> as of January 31, 2020, due to the results obtained from the stimulation of some wells and the 73.5% increment in production, coming from the concessions in Loma Negra and La Yesera areas in the Province of Río Negro and to a greater extent, to the increase of 86.5 % of oil production from the concession of Pampa del Castillo - La Guitarra Area in the Province of Chubut with an average of 687 m<sup>3</sup> per day in the period May-January 2020. It should be noted that the Pampa del Castillo area began operations on August 1, 2018.

e) Propane, butane and gasoline:

- Sales of propane decreased by \$ 130,812 or 32.7%, from 400,331 at January 31, 2019 to \$ 269,519 at January 31, 2020, including the income from the "Propane Sur Program".

The reduction in sales is the result of a decrease in the average sale price of 30.9%, from average \$/tn 25,882.9 as of January 31, 2019, to \$ average \$/tn 17,872.2 as of January 31, 2020 as a consequence of the lower international prices, offset by the higher evolution of the US dollar vis-à-vis the evolution of inflation. The volume sold decreased by 2.5%.

- The sales of butane decreased by \$ 86,643 or 37.5%, from \$ 231,167 at January 31, 2019 to \$ 144,524 at January 31, 2020. This decrease was due to a reduction in the average sales price in pesos of 36.5 %, from \$/tn 22,781.8 on average at January 31, 2019 to \$/tn 14,458.7 on average at January 31, 2020, due to the lower international prices, offset by a higher price of the US dollar vis-à-vis the evolution of inflation. The volume sold decreased by 1.5%.
- No sales of gasoline were recorded at January 31, 2020 and 2019, since production of 18,785 m<sup>3</sup> and 20,261 m<sup>3</sup>, respectively, were blended and sold with oil for market reasons.



f) Oxygen:

Hychico sold 75,711 m3 and 77,875 m3 of oxygen for a total of \$ 4,716 and \$ 5,576 in the periods ended on January 31, 2020 and 2019, respectively. This decrease in sales was mainly due to a drop in the volume sold of 2.8%, as a result of repairs carried out at the Hydrogen and Oxygen Plant in the months of August and September 2019.

g) Services:

It corresponds to the participation of 37.5% over the income in the services provided for the treatment of crude oil and gas readiness by the Loma Negra consortia.

**Cost of Income**

	01/31/2020	01/31/2019	Variation	
Fees and other compensations	(47,187)	(38,189)	(8,998)	23.6%
Salaries and social security contributions	(921,162)	(736,103)	(185,059)	25.1%
Materials, spare parts and others	(430,783)	(226,533)	(204,250)	90.2%
Operation, maintenance and repairs	(948,054)	(731,948)	(216,106)	29.5%
Fuel, lubricants and fluids	(485,908)	(350,795)	(135,113)	38.5%
Transportation, freight and studies	(97,976)	(70,690)	(27,286)	38.6%
Depreciation of property, plant and equipment	(2,854,015)	(2,086,789)	(767,226)	36.8%
Depreciation of right of use asset	(9,152)	-	(9,152)	100.0%
Office, travel and representation expenses	(27,860)	(17,820)	(10,040)	56.3%
Taxes, rates, contributions, insurance and rental	(167,225)	(96,958)	(70,267)	72.5%
Acquisition of electricity from CAMMESA	(229)	-	(229)	100.0%
Gas transportation costs	(62,589)	(53,016)	(9,573)	18.1%
Acquisition of third-party gas	(1,416,467)	(944,392)	(472,075)	50.0%
Oil acquisition	(149,719)	(81,125)	(68,594)	84.6%
Cost of production of inventories	715,590	(129,603)	845,193	652.1%
<b>Cost of Income</b>	<b>(6,902,738)</b>	<b>(5,563,961)</b>	<b>(1,338,777)</b>	<b>24.1%</b>

The cost of income as of January 31, 2020 amounted to \$ 6,902,738 (51.2% of net income), while as of January 31, 2019 it amounted to \$ 5,563,961 (40.3% of income).

The 24.1% increase in the cost of income was mainly explained by:

- an increment of \$ 185,059 in labor costs, mainly as a result of the hiring of personnel to carry out the operation of the Pampa del Castillo - La Guitarra area as of August 1, 2018.
- an increase of materials, spare parts and others of \$ 204,250 and in operation, maintenance and repairs of \$ 216,106, as a result of the increment in the activity generated by the incorporation of Pampa del Castillo – La Guitarra area and the increase of the components of the rates of these services in foreign currency over the period, regarding the evolution of inflation,
- a rise in the costs of fuels, lubricants and fluids for \$ 135,113, as a consequence of more activity in the oil field , the rise in prices and the increment in the price of fiduciary funds for residential consumption associated with the production of LPG gas, higher than the evolution of inflation,
- an increase in the purchase of gas for \$ 472,075, given that since November 2018 the Company acquires additional gas from third parties for the generation of energy, as a result of the auctions carried out by CAMMESA.
- an increase in the acquisition of oil for \$ 68,594, as a consequence of the Joint Operation Agreement that governs the operation of the Pampa del Castillo - La Guitarra area, and
- an increase in Depreciation charge of \$ 767,226 of items of Property, plant and equipment, due to the new investments made in the areas and to the effect of the investments made in the Pampa del Castillo - La Guitarra since its incorporation in the month at August 31, 2018.

The cost of production of inventories corresponds to production costs to be allocated to the inventories at period end that were not realized during the period.

**Preoperative expenses**

Preoperative expenses correspond to the professional fees, expenses, commissions and banking taxes, among others, related to the construction of Diadema Eolic Energy Farm II.

**Selling expenses**

	01/31/2020	01/31/2019	Variation	
Royalties	(1,226,126)	(1,141,928)	(84,198)	7.4%
Cost of transport and energy delivery	(119,885)	(95,896)	(23,989)	25.0%
Export duties	(260,696)	(331,249)	70,553	-21.3%
Turnover tax	(333,072)	(324,319)	(8,753)	2.7%
Commissions and other	(3,728)	(11,805)	8,077	-68.4%
<b>Selling expenses</b>	<b>(1,943,507)</b>	<b>(1,905,197)</b>	<b>(38,310)</b>	<b>2.0%</b>



Selling expenses were \$ 1,943,507 as of January 31, 2020, representing 14.4% of income, while as of January 31, 2019 they amounted to \$ 1,905,197, or 13.8% of income.

The 2.0% increase was mainly explained by:

- a) The royalties associated with oil by: i) the increment in production by adding the concession of the area Pampa del Castillo – La Guitarra area and ii) the greater evolution of the price of the US dollar with respect to the evolution of inflation, all this offset with a decrease in the local average price of crude oil measured in pesos as a consequence of the Necessity and Urgency Decrees that set the sale price and the exchange rate (see Note 3 to the Condensed Interim Consolidated Financial Statements); and
- b) the increase in turnover tax as a result of the higher billing and the payment of a tax rate difference for 2018.

#### Administrative expenses

	01/31/2020	01/31/2019	Variation	
Fees and other compensations	(46,317)	(30,605)	(15,712)	51.3%
Salaries and social security contributions	(264,029)	(243,383)	(20,646)	8.5%
Materials, spare parts and others	(35)	(28)	(7)	25.0%
Operation, maintenance and repairs	(49,325)	(53,199)	3,874	-7.3%
Transportation, freight and studies	(3,579)	(4,559)	980	-21.5%
Depreciation of property, plant and equipment	(14,243)	(11,861)	(2,382)	20.1%
Depreciation of right of use asset	(28,769)	-	(28,769)	100.0%
Office, travel and representation expenses	(3,774)	(26,318)	22,544	-85.7%
Taxes, rates, contributions, insurance and rental	(62,480)	(55,990)	(6,490)	11.6%
Bank charges	(170,800)	(125,178)	(45,622)	36.4%
<b>Administrative expenses</b>	<b>(643,351)</b>	<b>(551,121)</b>	<b>(92,230)</b>	<b>16.7%</b>

Administrative expenses were \$ 643,351 as of January 31, 2020, or 4.8% of income, while as of January 31, 2019 they were \$ 551,121, or 4.0%. The increase was \$ 92,230, representing 16.7%. This increment results mainly from: i) bank charges as a result of the higher tax on bank credits and debits due to the higher expenses made and income received by the Group; ii) the rise in labor costs as a result of the hiring of personnel and iii) an increase in the depreciation of right-of-use asset related to leases in accordance with IFRS 16, offset by a decrease in Rental included in Taxes, rates, contributions, insurance and rental. Likewise, Office, travel and representation expenses show a decrease due to the incorporation of expenses related to the acquisition of a participation in the Pampa del Castillo - La Guitarra area in the period ended January 31, 2019.

#### Other operating income, net

	01/31/2020	01/31/2019	Variation	
Income from charges for indirect administrative services-consortia and UTE	26,291	22,768	3,523	15.5%
Non-computable assessments	-	(2,566)	2,566	-100.0%
Sundry	8,130	(8,813)	16,943	-192.3%
<b>Other operating income, net</b>	<b>34,421</b>	<b>11,389</b>	<b>23,032</b>	<b>202.2%</b>

Other operating income, net as of January 31, 2020 and 2019 were positive by \$ 34,421 and \$ 11,389, respectively. This increase was partly due to the services provided by the Company as operator of the Consortia and UTE, and to operating expenses typical of the period ended January 31, 2019

#### Financial results

	01/31/2020	01/31/2019	Variation	
Financial income	4,239,927	5,851,369	(1,611,442)	-27.5%
Financial costs	(8,060,544)	(11,667,125)	3,606,581	-30.9%
Other financial results	15,556	(18,610)	34,166	183.6%
Other financial results - RECPAM	2,014,589	1,910,889	103,700	5.4%
<b>Financial results</b>	<b>(1,790,472)</b>	<b>(3,923,477)</b>	<b>2,133,005</b>	<b>-54.4%</b>

#### a) Financial income

	01/31/2020	01/31/2019	Variation	
Exchange difference	3,729,727	5,358,248	(1,628,521)	-30.4%
Interest and others	509,132	491,929	17,203	3.5%
Interest accrued on receivables	1,068	1,192	(124)	-10.4%
<b>Financial Income</b>	<b>4,239,927</b>	<b>5,851,369</b>	<b>(1,611,442)</b>	<b>-27.5%</b>

The financial income at January 31, 2020 reflected a balance of \$ 4,239,927 while at January 31, 2019 it was of \$ 5,851,369, representing a decrease of 27.5%. The main causes of the reduction of \$ 1,611,442 were:

- The lowest earnings for the exchange difference due to the variation, at nominal values, of the price of the US dollar with respect to the peso, which between May 2019 and January 2020 had an increase of 37%, while between May



2018 and January 2019 the increase was 82%, despite the greater evolution of the U.S. dollar quotation with respect to the evolution of inflation.

- The variation of interest and others mainly corresponds to the income generated by investments in term deposits and, to a lesser extent, to mutual funds and the holding of securities.
- The variation in interest accrued on receivables mainly corresponds to the result of the update of the value of Hychico's long term receivables.

#### b) Financial costs

	01/31/2020	01/31/2019	Variation	
Exchange difference	(6,827,968)	(10,449,384)	3,621,416	-34.7%
Interest and others	(1,213,395)	(1,186,771)	(26,624)	2.2%
Interest accrued from payables	(19,181)	(30,970)	11,789	-38.1%
<b>Financial Costs</b>	<b>(8,060,544)</b>	<b>(11,667,125)</b>	<b>3,606,581</b>	<b>-30.9%</b>

Financial costs at January 31, 2020 showed a negative balance of \$ 8,060,544, while at January 31, 2019 they were negative by \$ 11,667,125, representing a decrease of 30.9%. The main causes of the variation of \$ 3,606,581 were:

- The lower foreign exchange losses are a consequence of the variation, at nominal values, of the price of the US dollar with respect to the peso, which between May 2019 and January 2020 had an increase of 37% while, between May 2018 and January 2019 the increase was 82%, despite the higher evolution of the US dollar price in relation to the evolution of inflation. The Group holds 98.4% of its financial liabilities in US dollars, so the variation in the exchange rate of that currency has had a significant impact on the economic results and on equity.
- The financial debts referred to above are as follows:
  - Class II Corporate Bonds for US \$ 300 million maturing in May 2024 at a fixed rate of 6.875%, payable semiannually.
  - Secured loan for US\$ 14 million with IIC, destined for Hychico Diadema Eolic Energy Farm, accruing interest at a variable rate equivalent to LIBO plus a nominal annual rate of 4.5% (as from April 2018) payable semi-annually. At January 31, 2020 the owed capital amounts to US\$ 2,0 million.
  - Financial loan for US \$ 10 million with BBVA, maturing on April 1, 2020 at a TNA of 5.75%.
- The variation in interest and others mainly corresponds to interest accrued by Corporate Bonds, to the loan with IIC and to the financial loan with BBVA.
- The accrual of interest on payables corresponds to the result generated by the updating of the value of the provision for well capping and of the commercial debt that E G WIND has with the supplier ENERCON.

#### Other financial results - RECPAM

	01/31/2020	01/31/2019	Variation	
<b>Other financial results - RECPAM</b>	2,014,589	1,910,889	103,700	5.4%

This item includes the result of the exposure to inflation.

#### Income tax

	01/31/2020	01/31/2019	Variation	
<b>Income tax</b>	118,785	(879,209)	997,994	-113.5%

The income tax result as of January 31, 2020 decreased \$ 997,994, going from a negative balance of \$ 879,209 to a positive balance of \$ 118,785, as a consequence of the lower tax results for the period (loss), the computation of the higher amortizations as a consequence of the Tax Revaluation option carried out by Capex and Hychico in May 2019, offset by the tax generated by the adjustment for tax inflation.

#### Other comprehensive income

	01/31/2020	01/31/2019	Variation	
With future allocation to results	5,711	-	5,711	100.0%
With no future allocation to results	(2,560,989)	1,124,712	(3,685,701)	-327.7%
<b>Other comprehensive income</b>	<b>(2,555,278)</b>	<b>1,124,712</b>	<b>(3,679,990)</b>	<b>-327.2%</b>

Capex has been applying the revaluation model for certain assets within Property, plant and equipment. At January 31, 2020, a negative result of \$ 2,560,989 was generated due to the determination of the reserve for assets revaluation at actual values.

### Consolidated financial Statements

	01/31/2020	01/31/2019	Variation	
Property, plant and equipment	29,893,143	31,617,721	(1,724,578)	-5.5%
Financial investments at fair value with changes in other comprehensive income	8,075,516	-	8,075,516	100.0%
Spare parts and materials	1,204,785	1,350,222	(145,437)	-10.8%
Net deferred tax asset	98,209	8,409	89,800	1067.9%
Right of use asset	253,856	-	253,856	100.0%
Other receivables	1,748,421	1,331,256	417,165	31.3%
Trade receivables	2,693,326	3,947,336	(1,254,010)	-31.8%
Inventories	674,065	14,475	659,590	4556.8%
Cash and cash equivalents	2,476,824	9,998,004	(7,521,180)	-75.2%
<b>Total Assets</b>	<b>47,118,145</b>	<b>48,267,423</b>	<b>(1,149,278)</b>	<b>-2.4%</b>
Total shareholders' equity attributable to shareholders	18,625,810	18,496,413	129,397	0.7%
Non-controlling interest	102,119	102,845	(726)	-0.7%
<b>Total shareholders' equity</b>	<b>18,727,929</b>	<b>18,599,258</b>	<b>128,671</b>	<b>0.7%</b>
Trade accounts payable	4,965,767	5,106,922	(141,155)	-2.8%
Financial liabilities	19,397,088	17,642,541	1,754,547	9.9%
Net deferred tax liabilities	2,532,423	6,097,223	(3,564,800)	-58.5%
Taxes payable	1,116,067	457,196	658,871	144.1%
Provisions and other charges	2,480	3,791	(1,311)	-34.6%
Salaries and social security contributions	233,567	216,999	16,568	7.6%
Other liabilities	142,824	143,493	(669)	-0.5%
<b>Total Liabilities</b>	<b>28,390,216</b>	<b>29,668,165</b>	<b>(1,277,949)</b>	<b>-4.3%</b>
<b>Total Shareholders' equity and liabilities</b>	<b>47,118,145</b>	<b>48,267,423</b>	<b>(1,149,278)</b>	<b>-2.4%</b>

Total assets as of January 31, 2020 decreased by \$ 1,149,278, which represents an reduction of 2.4% compared to January 31, 2019.

The main reasons for this variation are listed below:

- (i) Property, plant and equipment: decrease by \$ 1,724,578, due to the effect of the depreciations of the period and the decrease in the fair value of the CT ADC. This decrease was offset by the investments made in the areas and in particular in the construction of the DEEF II.
- (ii) Spare parts and materials: decrease of \$ 145,437, due to the net movement of income and consumption of the stocks due to the major maintenance of the CT ADC and the materials coming from the operation of the Pampa del Castillo - La Guitarra area.
- (iii) Net deferred tax assets: increase by \$ 89,800 due to the generation of tax losses in E G WIND.
- (iv) Right of use asset: \$ 253,856 increase generated by the application of IFRS 16 for leases.
- (v) Other accounts receivable: \$ 417,165 increase, principally for the accrual of the unconventional gas stimulus program, and the VAT credit position.
- (vi) Trade accounts receivable: decrease by \$ 1,254,010, due to the drop of i) remuneration of energy generation ii) the price of gas remunerated by CAMMESA and iii) the decrease in the price of crude oil in US dollars due to market reasons, and since August 2019 due to the Decree of Necessity and Urgency No. 566/19, which set the reference price of BRENT crude oil at USD/bbl 59. The Decree of Necessity and Urgency and subsequent resolutions also fixed the exchange rate of crude oil in the local market, which had an impact on the decrease of revenue from the sale of oil. This drop in prices was offset by: i) an increase in the quantities of crude oil sold in the local market; and ii) crude oil exports; and iii) for the credits nominated in US dollars, the increase in the price of this currency, with respect to the evolution of inflation.
- (vii) Cash and cash equivalents and financial investments at fair value with changes in other comprehensive income: see Outlook – Financial.

Total liabilities as of January 31, 2020, decreased by \$ 1,277,949, which represents a decrease of 4.3 % in comparison with January 31, 2019.

The main reasons for this variation are listed below:

- (i) Trade accounts payable: a decrease of \$ 141,155, mainly due to the crude oil stock owed to third parties and provision for gas purchase as of January 31, 2019, offset by the incorporation of the lease debt resulting from applying IFRS 16.
- (ii) Financial liabilities: an increase of \$ 1,754,547, generated by: i) the increment in the exchange rate of the US dollar, regarding the evolution of inflation, causing the higher valuation in pesos of liabilities in foreign currency; ii) increase in financial debt for taking the US \$ 10 million loan with BBVA and iii) the overdrafts at closing. This increase was offset by the capital payments of the loan with IIC of Hychico and compensation related to early financing for maintenance of the CT ADC.
- (iii) Tax charges: an increase of \$ 658,871 as a result of the accrual of the tax inflation adjustment, under section 95, and a turnover tax payment plan.
- (iv) Net deferred tax liabilities: a decrease of \$ 3,564,800 as a result of the use of the tax revaluation option on certain items of Property, Plant and Equipment applied as of April 30, 2019, net of applying the tax inflation adjustment and by the



- effect of the gradual reduction of the income tax rate, introduced by the Tax Reform promulgated on December 29, 2017, and modified by Law 27541 published in the official bulletin on December 23, 2019.
- (v) Salaries and social security contributions: an increase of \$ 16,568, as a result of the rise in the payroll of Capex due to the incorporation of new businesses.

**Oil and gas reserves and resources (information not covered by the review report on condensed interim consolidated financial statements)**

**- Agua del Cajón**

Below is the estimate of hydrocarbon reserves and resources in the Agua del Cajón area made by the Company at December 31, 2018, and audited by the independent auditor, Hector Alberto López, according to the requirements established in Res. SEN 324/06 and having as concession expiration horizon the month of January 2052.

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm <sup>3</sup> <sup>(1)</sup>	4,126	1,208	5,334	797	653	15,315
Oil	Mbbl	1,774	1,094	2,868	1,730	1,736	3,730
	Mm <sup>3</sup>	282	174	456	275	276	593

<sup>(1)</sup> Expressed in 9,300 kcal/m<sup>3</sup>

**- Loma Negra**

The estimate of hydrocarbon reserves and resources in the Loma Negra area, at December 31, 2018, was audited by the independent auditor, Licenciado Héctor A. López, in compliance with the requirements of ES Resolution 324/06 and having as expiration horizon the month of December 2024, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm <sup>3</sup> <sup>(1)</sup>	972	6	978	238	-	766
Oil	Mbbl	1,585	327	1,912	50	-	755
	Mm <sup>3</sup>	252	52	304	8	-	120

<sup>(1)</sup> Expressed in 9,300 kcal/m<sup>3</sup>

Capex owns 37.5% of said reserves

**- La Yesera**

The estimate of hydrocarbon reserves and resources in the La Yesera area, at December 31, 2018, was audited by the independent auditor, Lic. Héctor Alberto López, in compliance with the requirements of ES Resolution 324/06. The expiration horizon is June 2027, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm <sup>3</sup> <sup>(1)</sup>	235	26	261	-	-	236
Oil	Mbbl	1,145	365	1,510	-	-	3,007
	Mm <sup>3</sup>	182	58	240	-	-	478

(1) Expressed in 9,300 kcal/m<sup>3</sup>

(2) Capex owns 18.75% of said reserves

- Pampa del Castillo – La Guitarra

The estimate of hydrocarbon reserves and resources in the Pampa del Castillo – La Guitarra area, at December 31, 2018, was audited by the independent auditor, Lic. Ana María Nardone, in compliance with the requirements of ES Resolution 324/06. The expiration horizon is October 2026, with the following values:

Products		Reserves					Resources
		Proven			Probable	Possible	
		Developed	Non-developed	Total			
Gas	MMm <sup>3</sup> <sup>(1)</sup>	26	28	54	5	4	-
Oil	Mbbl	7,246	7,560	14,806	1,365	1,044	-
	Mm <sup>3</sup>	1,152	1,202	2,354	217	166	-

<sup>(1)</sup> Expressed in 9,300 kcal/m<sup>3</sup>

Capex owns 95% of said reserves

**b) Asset structure**

	01/31/2020	01/31/2019	01/31/2018
(a)			
Current Assets	7,860,737	15,529,102	12,103,321
Non-Current Assets	39,257,408	32,738,321	24,524,416
<b>Total Assets</b>	<b>47,118,145</b>	<b>48,267,423</b>	<b>36,627,737</b>
Current Liabilities	4,918,177	4,917,917	2,634,031
Non-Current Liabilities	23,472,039	24,750,248	18,361,189
<b>Total Liabilities</b>	<b>28,390,216</b>	<b>29,668,165</b>	<b>20,995,220</b>
Shareholders' equity attributable to shareholders	18,625,810	18,496,413	15,559,533
Non-Controlling interest	102,119	102,845	72,984
<b>Total Shareholders' Equity</b>	<b>18,727,929</b>	<b>18,599,258</b>	<b>15,632,517</b>
<b>Total Shareholders' Equity and Liabilities</b>	<b>47,118,145</b>	<b>48,267,423</b>	<b>36,627,737</b>

(a) Information consolidated with SEB and Hychico and E G WIND, according to financial information at January 2020 and 2019.

**c) Results Structure**

	01/31/2020	01/31/2019	01/31/2018
(a)			
Operating result	<b>4,011,346</b>	<b>5,783,706</b>	<b>3,061,674</b>
Financial income	4,239,927	5,851,369	2,515,366
Financial costs	(8,060,544)	(11,667,125)	(4,433,391)
Other financial income	15,556	(18,610)	-
Other financial results - RECPAM	2,014,589	1,910,889	2,192,599
<b>Result before Income Tax</b>	<b>2,220,874</b>	<b>1,860,229</b>	<b>3,336,248</b>
Income tax	118,785	(879,209)	(874,520)
<b>Net result for the period</b>	<b>2,339,659</b>	<b>981,020</b>	<b>2,461,728</b>
Other comprehensive income			
With future allocation to results	5,711	-	-
With no future allocation to results	(2,560,989)	1,124,712	730,247
<b>Comprehensive result for the period</b>	<b>(215,619)</b>	<b>2,105,732</b>	<b>3,191,975</b>

(a) Information consolidated with SEB and Hychico, according to financial information as of January 2020 and 2019, and E G WIND according to financial information as of January 31, 2020 and 2019

**d) Cash flow Structure**

	01/31/2020	01/31/2019	01/31/2018
	(a)		
Net cash flows provided by operating activities	3,298,435	5,906,275	6,419,161
Net cash flows used in investment activities	(12,058,140)	(3,512,025)	(1,657,118)
Net cash flows used in financing activities	(772,577)	(1,333,991)	3,306,580
<b>Decrease / net increase in cash, cash equivalents and overdrafts</b>	<b>(9,532,282)</b>	<b>1,060,259</b>	<b>8,068,623</b>

(a) Information consolidated with SEB, and Hychico, according to financial information at January 2020 and 2019, and E G WIND according to financial information as of January 31, 2020 and 2019

**e) Statistical Data (information not covered by the review report on condensed interim consolidated financial statements)**

OIL					
	01/31/2020	01/31/2019	01/31/2018	01/31/2017	01/31/2016
<b>Consolidated Information</b>					
Production in bbl	1,521,240	952,594	288,350	216,574	200,824
Production in m <sup>3</sup> (4)	241,858	151,450	45,844	34,433	31,929
Sales in the domestic market bbl	458,716	447,873	463,484	357,895	345,443
Sales in the foreign market bbl	894,383	697,674	-	-	-
Sales in the domestic market m3 <sup>(1)</sup>	72,930	71,206	73,688	56,901	54,921
Sales in the foreign market m3	142,196	110,921	-	-	-

GAS (thousands of m <sup>3</sup> )					
	01/31/2020	01/31/2019	01/31/2018	01/31/2017	01/31/2016
<b>Consolidated information</b>					
Production	428,776	430,780	420,047	428,246	421,559
Acquisition and redirection by CAMMESA – ES Resolution 95/13	500,571	487,108	325,840	398,726	283,374
Sales in the domestic market	45,437	-	32,813	4,186	44,548

ENERGY AGUA DEL CAJON (thousands of MWh)					
	01/31/2020	01/31/2019	01/31/2018	01/31/2017	01/31/2016
<b>Consolidated information</b>					
Production	3,174	3,575	3,168	3,278	2,515
Sales	3,083	3,438	3,043	3,129	2,318

RENEWABLE ENERGY (thousands of MWh)					
	01/31/2020	01/31/2019	01/31/2018	01/31/2017	01/31/2016
<b>Consolidated information</b>					
Production	62	22	24	15	20
Sales	62	22	24	15	20

ENERGY DIADEMA PLANT (thousands of MWh)					
	01/31/2020	01/31/2019	01/31/2018	01/31/2017	01/31/2016
<b>Consolidated information</b>					
Production	8,7	5,7	7,2	7,7	6,8
Sales	7,9	4,7	6,4	5,7	5

PROPANE (tn)					
	01/31/2020	01/31/2019	01/31/2018	01/31/2017	01/31/2016
<b>Consolidated information</b>					
Production	15,087	15,379	16,222	15,937	14,614
Sales domestic market	11,024	15,467	16,263	15,897	13,349
Sales in the foreign market	4,056	-	-	-	1,189

BUTANE (tn)					
	01/31/2020	01/31/2019	01/31/2018	01/31/2017	01/31/2016
<b>Consolidated information</b>					
Production	9,941	10,220	10,744	10,535	10,820
Sales domestic market	9,996	10,147	10,696	10,505	10,731

GASOLINE (m <sup>3</sup> )					
	01/31/2020	01/31/2019	01/31/2018	01/31/2017	01/31/2016
<b>Consolidated information</b>					
Production <sup>(2)</sup>	18,785	20,261	20,911	20,582	21,081

OXYGEN (Nm <sup>3</sup> )					
	01/31/2020	01/31/2019	01/31/2018	01/31/2017	01/31/2016
<b>Consolidated information</b>					
Production	17,691	22,325	37,903	36,306	37,758
Sales domestic market <sup>(3)</sup>	75,711	77,875	95,326	90,795	85,453

<sup>(1)</sup> Includes 18,781 m<sup>3</sup>, 20,274 m<sup>3</sup>, 20,907 m<sup>3</sup>, 20,604 m<sup>3</sup> and 21,071 m<sup>3</sup> of gasoline at January 31, 2020, 2019, 2018, 2017 and 2016, respectively sold as oil.

<sup>(2)</sup> The gasoline at January 31, 2020, 2019, 2018, 2017 and 2016, was sold as oil.

<sup>(3)</sup> The sales of oxygen at January 31, 2020, 2019, 2018, 2017 and 2016 include take or pay clause.

<sup>(4)</sup> At January 31, 2020 includes 29,096 m<sup>3</sup> and 34,506 m<sup>3</sup> from the Agua del Cajón area, 23,256 m<sup>3</sup> and 15,354 m<sup>3</sup> from the Loma Negra and La Yesera areas and 189,506 m<sup>3</sup> and 101,590 m<sup>3</sup> from the Pampa del Castillo – La Guitarra area. As of January 31, 2018, it comprises 42,037 m<sup>3</sup> from the Agua del Cajón area, 2,113 m<sup>3</sup> and 1,694 m<sup>3</sup> from the Loma Negra and La Yesera areas. The previous productions all correspond to the Agua del Cajón area.

#### f) Ratios

	01/31/2020	01/31/2019
	<b>(a)</b>	
Liquidity (1)	1.60	3.16
Solvency (2)	0.66	0.63
Capital Immobilization (3)	0.83	0.68

(a) Information consolidated with SEB and Hychico and E G WIND as per financial information at January 31, 2020 and 2019.

(1)	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
(2)	$\frac{\text{Shareholders' Equity}}{\text{Total Liabilities}}$
(3)	$\frac{\text{Non-Current Assets}}{\text{Total Assets}}$

#### g) Perspectives (information not covered by the review report on the interim condensed consolidated financial statements)

##### Hydrocarbons

During the fiscal year Capex foresees:

- **in the Agua del Cajón Area**, continue with the development called "conventional" that includes an advanced well drilling and repairs and optimizations of oil and gas wells.

The Company will continue focusing resources on the development and rational exploitation of ADC field. Regarding the development of shale resources (schist of slate rock), work will continue on the technical-economic viability previous to face the development stage.

- **in the area Loma Negra**, one advanced well was drilled, two development producing oil wells and a well for gas-condensate. Additionally, the repair of oil wells and conversion of producing wells into injection wells is expected. Regarding surface works, the Loma de Maria battery will be expanded to a gas production capacity of 1 MM m<sup>3</sup>/d.

- **in the area La Yesera**, continue with the project that includes the drilling of 1 development well (Side-Track to the LY-1 well or the drilling of a new well) and the completion of the battery construction project in order to continue the development program of this area. The Consortium will focus on the development of oil reserves in deep targets.

- **in the area Pampa del Castillo**, drill advanced/exploration wells and primary/secondary development producing wells, a repair program for oil producing wells and the adequacy of secondary recovery facilities in batteries and plants.

As part of its strategy, Capex will continue evaluating potential acquisitions of hydrocarbon assets that will increase production levels and reserves.

In this sense, Capex made offers in hydrocarbon areas.



### **Bella Vista Oeste Block I**

In May 2019, Petrominera Chubut S.E. (PMC) launched a call for National and International Public Bid No. 2/19 with the aim of awarding exclusive rights for the operation, transport and commercialization of hydrocarbons within the area of the Bella Vista Oeste Block I, in the Province of Chubut. The Company participated in the Bid and its Economic Tender was accepted on September 2, 2019. In October 2019, the Company entered into a concession contract for 25 years with PMC, subject to approval from the Executive Branch and the Legislative Branch of the Province of Chubut. According to the concession contract, Capex may request 10-year term extensions, provided always it meets its obligations as a concessionaire, produces hydrocarbons in the area and submits an investment plan. The related contract was approved by the Executive Branch of the Province of Chubut through Decree No. 14/20, dated January 6, 2020, and subsequently, by the Legislative Branch of the Province of Chubut through Law IX No. 148. In January 2020 Capex paid PMC the initial payment of millions of US \$ 4.5 and will pay a Variable Bonus quarterly during the concession period, in accordance with the provisions of the agreement (concepts that will be taken into account at the time of the registration of the price of the area). The validity of the concession is from February 1, 2020 and the committed investment plan is US \$ 50.1 million.

Prospects for the Bella Vista Oeste area are the drilling of two oil producing wells and upgrades to existing wells.

### **Parva Negra Oeste**

In the framework of Neuquén Exploration Plan, Gas y Petróleo del Neuquén S.A. launched the 7th invitation for bids for the exploration, development and potential operation of a series of hydrocarbon areas. On July 25, 2019 the Company submitted a bid for the Parva Negra Oeste area, which was awarded. The area is in a good location for the possible development of Vaca Muerta formation. On November 5, 2019, the Company and GyP entered into a contract for the exploration, development and production of the area, including investments in exploration works, for approximately US\$ 19 million, to take place within the First Exploration Period. The conditions of the bid include a payment of US\$ 5.5 million to the Province of Neuquén for the right of access to the area. Upon compliance with certain conditions and if commercially exploitable hydrocarbons are found, GyP will apply for a Concession for Exploitation of Non-Conventional Hydrocarbons for 35 years, in the framework of the above-mentioned contract. On November 22, 2019 the Province of Neuquén published in the Official Gazette Decree No. 2499/19 that approves the aforementioned contract.

### **Puesto Zúñiga**

In November 2019, the Secretariat of Energy of the Government of Rio Negro called for the National and International Public Tender No. 1/19 for the award of exclusive rights for hydrocarbon exploration and potential exploitation concession, transportation and commercialization over the Puesto Zúñiga area, in the Province of Rio Negro. The Company participated in the Tender by submitting an offer on November 28, 2019. On February 6, 2020, the Rio Negro Government's Energy Secretariat approved the Capex rating and pre-awarded to it the Puesto Zúñiga Area. As of the date of issuance of these financial statements, the Competition Pre-Award Commission is preparing an opinion for the Province with the evaluation of the offer and the advisability of awarding the exploration permit.

### **Renewables**

Capex, through its subsidiaries Hychico and EG Wind, will continue operating its Wind Farms and its Hydrogen and Oxygen Plant in Diadema, in line according to its growth prospects in renewable generation and vision of the use of hydrogen as energy carrier. The new Wind Farm Diadema II, composed of 9 wind energy converters and a total installed capacity of 27.6 MW, was authorized to operate in September 2019, in line with the deadlines set forth in the bid and has maintained a high level of availability since then (over 97%). Until the National Government carries out the expansion works, there will be restrictions on the transport capacity of the region, which will be greater as new wind farms are assembled in the area. As a compensation mechanism for these restrictions, the contract establishes a "take or pay" clause.

With short and medium term objectives, it is the intention of Capex and its subsidiary Hychico to be active participants in the renewable energy generation market, for which they are carrying out evaluations and feasibility studies to projects: i) with industrial clients; ii) self-generation, to the extent that it adds value to the business, as is the case of isolated sites and mining iii) to participate in future tenders for Renewable Energies (public or private). For this, a portfolio of wind and solar projects is developed in different regions of the country, which have been evaluated both for having a relevant natural resource (wind or solar radiation) as well as an adequate capacity for electric transport (current or planned to future). In all cases, surface use agreements are sought for a period of more than three decades in order to ensure a sufficient period for the implementation of the projects.

The medium and long-term objectives relating renewable energies for Capex and its subsidiaries are focused on supplying future regional and international markets of "green hydrogen" and the development of wind and photovoltaic farms to meet consumption. At the regional level, renewable energy projects and hydrogen applications are evaluated in mobility projects.

Agreements such as the "Memorandum" of cooperation to boost the development of hydrogen, signed between Japan and Argentina in September 2019, and Hychico's participation in the Hydrogen Council of the International Energy Agency facilitate the development of models to analyze the feasibility of exporting hydrogen to markets such as Europe or Japan. By mid-2020, the Company expects to have an IEA validated model as well as a specific study conducted by Hychico, together with a well-known European energy institute.



## **Financial**

The Group bases its financial strategy in: (i) maintaining its financial liabilities in medium and long-term structures in order to maintain a maturity profile according to the cash generation of its businesses. In line with this strategy, Capex has structured its investment portfolio based on the maturities of its liabilities and financial needs to meet the investments required by the incorporation of the new hydrocarbon areas (Loma Negra, La Yesera, Pampa del Castillo, Bella Vista Oeste Block I, Parva Negra Oeste), the development of PED II and working capital needs.

Capex owns most of its structural financial debt under the issuance of Class 2 Corporate Bonds for US\$ 300 million completed in May 2017 and whose maturity is fully effective in May 2024, at a nominal annual rate of 6.875%. The funds received from this issuance were used to refinance Class 1 of Corporate Bonds for US\$ 200 million whose expiration operated in March 2018 at an annual nominal rate of 10%, and to increase the liquidity of Capex in order to complete its investment plan and acquisition of new businesses.

The Company continues to evaluate different hydrocarbon assets, thermal and renewable energy projects.