IMPORTANT NOTICE

THIS EXCHANGE OFFER AND PROXY SOLICITATION (THE "OFFER AND SOLICITATION") IS AVAILABLE ONLY TO HOLDERS OF EXISTING NOTES WHO ARE (1) "QUALIFIED INSTITUTIONAL BUYERS" ("QIBS") AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), IN A PRIVATE TRANSACTION IN RELIANCE UPON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT PROVIDED BY SECTION 4(A)(2) THEREOF, (2) PERSONS OTHER THAN "U.S. PERSONS" (AS DEFINED IN RULE 902 UNDER THE SECURITIES ACT, "U.S. PERSONS") OUTSIDE THE UNITED STATES WHO ARE NOT ACQUIRING NEW NOTES FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON, IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT, AND WHO ARE NON-U.S. QUALIFIED OFFEREES (AS DEFINED UNDER "TRANSFER RESTRICTIONS") OTHER THAN ARGENTINE ENTITY OFFEREES (AS DEFINED IN THE LETTER OF TRANSMITTAL), NON-COOPERATING JURISDICTION OFFEREES (AS DEFINED IN THE LETTER OF TRANSMITTAL) AND ELIGIBLE CANADIAN HOLDERS (AS DEFINED IN THE ELIGIBILITY LETTER), (3) OUTSIDE THE UNITED STATES, TO ARGENTINE ENTITY OFFEREES, (4) OUTSIDE THE UNITED STATES, TO NON-COOPERATING JURISDICTION OFFEREES, OR (5) OUTSIDE THE UNITED STATES, TO ELIGIBLE CANADIAN HOLDERS (AS DEFINED IN THE ELIGIBILITY LETTER), IN EACH CASE, WHOSE RECEIPT AND REVIEW OF THE EXCHANGE OFFER AND PROXY SOLICITATION MEMORANDUM, AND PARTICIPATION IN THE OFFER AND SOLICITATION, IS OTHERWISE PERMITTED UNDER THE LAWS AND REGULATIONS OF ANY JURISDICTION APPLICABLE TO THEM.

IMPORTANT: You must read the following before continuing. The following applies to Supplement No. 1 (the "Supplement No. 1") dated August 12, 2020 to Compañía General de Combustibles S.A.'s (the "Company") Exchange Offer and Proxy Solicitation Memorandum dated August 6, 2020 (the "Exchange Offer and Proxy Solicitation Memorandum") following this important notice, and you are advised to read this carefully before reading, accessing or making any other use of the Supplement No. 1. In accessing the Supplement No. 1, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE LAWS OF OTHER JURISDICTIONS. THE SUPPLEMENT NO. 1, THE EXCHANGE OFFER AND PROXY SOLICITATION MEMORANDUM AND THE OFFER OF THE NEW NOTES ARE ONLY ADDRESSED TO AND DIRECTED AT PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA OR IN THE UNITED KINGDOM WHO ARE "QUALIFIED INVESTORS" WITHIN THE MEANING OF ARTICLE 2(E) OF REGULATION (EU) 2017/1129 (THE "PROSPECTUS REGULATION") ("QUALIFIED INVESTORS"). IN ADDITION, IN THE UNITED KINGDOM, THIS SUPPLEMENT NO. 1 AND THE EXCHANGE OFFER AND PROXY SOLICITATION MEMORANDUM ARE ONLY BEING DISTRIBUTED TO QUALIFIED INVESTORS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLES 19(5) AND 19(2)(A) TO (D) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AND OTHER PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER REFERRED TO AS "RELEVANT PERSONS"). ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS SUPPLEMENT NO. 1 RELATES IS AVAILABLE ONLY TO (I) IN THE UNITED KINGDOM, RELEVANT PERSONS, AND (II) IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA AND IN THE UNITED KINGDOM, QUALIFIED INVESTORS, AND WILL BE ENGAGED IN ONLY WITH SUCH PERSONS. IN ADDITION, NO PERSON MAY COMMUNICATE OR CAUSE TO BE COMMUNICATED ANY INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY, WITHIN THE MEANING OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (THE "FSMA"), RECEIVED BY IT IN CONNECTION WITH THE ISSUE OR SALE OF THE NEW NOTES OTHER THAN IN CIRCUMSTANCES IN WHICH SECTION 21(1) OF THE FSMA DOES NOT APPLY TO US.

THE FOLLOWING SUPPLEMENT NO. 1 MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your representation: In order to be eligible to view this Supplement No. 1 or make an investment decision with respect to the New Notes, Holders of Existing Notes must be a (1)(A) "qualified institutional buyers" as defined in Rule 144A under the Securities Act ("QIBS"), in a private transaction in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof, (B) persons other than "U.S. Persons" (as defined in Rule 902 under the Securities Act, "U.S. Persons") outside the United States who are not acquiring New Notes for the account or benefit of a U.S. Person, in offshore transactions in reliance on Regulation S under the Securities Act, and who are Non-U.S. Qualified Offerees (as defined under "Transfer Restrictions" in the Exchange Offer and Proxy Solicitation Memorandum) other than Argentine Entity Offerees (as defined in the Letter of Transmittal), Non-Cooperating Jurisdiction Offerees (as defined in the Letter of Transmittal) and Eligible Canadian Holders (as defined in the Eligibility Letter), (C) outside the United States, to Argentine Entity Offerees, (D) outside the United States, to Non-Cooperating Jurisdiction Offerees, or (E) outside the United States, to Eligible Canadian Holders (as defined in the Eligibility Letter), in each case, whose receipt and review of the Supplement No. 1 and the Exchange Offer and Proxy Solicitation Memorandum, and participation in the Offer and Solicitation, is otherwise permitted under the laws and regulations of any jurisdiction applicable to them, and (2) that you consent to delivery of this Supplement No. 1 by electronic transmission.

You are reminded that this Supplement No. 1 has been delivered to you on the basis that you are a person into whose possession this Supplement No. 1 may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this Supplement No. 1 to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the dealer managers and solicitation agents or any affiliate of the dealer managers and solicitation agents is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such dealer manager and solicitation agent or such affiliate on behalf of the Company in such jurisdiction.

This Supplement No. 1 has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently neither the dealer managers and solicitation agents nor any person who controls them nor any of their directors, officers, employees nor any of their agents nor any affiliate of any such person accept any liability or responsibility whatsoever in respect of any difference between this Supplement No. 1 distributed to you in electronic format and the hard copy version available to you on request from the dealer managers and solicitation agents.

EXCHANGE OFFER AND
PROXY SOLICITATION MEMORANDUM
SUPPLEMENT NO. 1

STRICTLY CONFIDENTIAL

Compañía General de Combustibles S.A.

SUPPLEMENT NO. 1 TO THE EXCHANGE OFFER AND PROXY SOLICITATION MEMORANDUM relating to the Offer to Exchange any and all of the outstanding 9.500% Senior Notes due 2021 for the applicable amount of 9.500% Senior Amortizing Notes due 2025 and Cash and Solicitation of Proxies

THE OFFER AND SOLICITATION WILL EXPIRE AT 11:59 P.M., NEW YORK CITY TIME, ON SEPTEMBER 2, 2020, UNLESS WE EXTEND THEM IN OUR SOLE DISCRETION (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE "EXPIRATION DATE"). IN ORDER TO BE ELIGIBLE TO RECEIVE THE EARLY TENDER PAYMENT (AS DEFINED [IN THE EXCHANGE OFFER AND PROXY SOLICITATION MEMORANDUM]), ELIGIBLE HOLDERS OF EXISTING NOTES (AS DEFINED [IN THE EXCHANGE OFFER AND PROXY SOLICITATION MEMORANDUM]) MUST TENDER THEIR EXISTING NOTES AND DELIVER THEIR PROXIES (AS DEFINED [IN THE EXCHANGE OFFER AND PROXY SOLICITATION MEMORANDUM]) ON OR PRIOR TO 5:00 P.M. NEW YORK CITY TIME ON AUGUST 19, 2020, UNLESS WE EXTEND THE OFFER AND SOLICITATION (SUCH DATE AND TIME, AS THEY MAY BE EXTENDED, THE "EARLY TENDER DATE"). ELIGIBLE HOLDERS OF EXISTING NOTES WHO VALIDLY TENDER THEIR EXISTING NOTES AND DELIVER THEIR PROXIES AFTER THE EARLY TENDER DATE, BUT ON OR PRIOR TO THE EXPIRATION DATE WILL BE ELIGIBLE TO RECEIVE LATE TENDER PAYMENT (AS DEFINED [IN THE EXCHANGE OFFER AND PROXY SOLICITATION MEMORANDUM]). EXISTING NOTES VALIDLY TENDERED AND PROXIES VALIDLY DELIVERED MAY BE VALIDLY WITHDRAWN OR REVOKED, AS APPLICABLE, AT ANY TIME PRIOR TO 5:00 P.M., NEW YORK CITY TIME ON AUGUST 19, 2020 UNLESS EXTENDED BY US IN OUR SOLE DISCRETION (SUCH DATE AND TIME, AS THE SAME MAY BE EXTENDED, THE "WITHDRAWAL DATE"), BUT NOT THEREAFTER.

Existing Notes[(1)]	ISINs	CUSIPs	Aggregate Principal Amount of Existing Notes Outstanding	New Notes Consideration[(2)(3)] (Principal Amount)	Early Cash Consideration[(2)(3)]	Late Cash Consideration[(2)(3)]
9.500% Senior Notes due 2021	US20448QAA85 (144A) / USP3063DAA02 (Reg S)	20448QAA8 (144A) / P3063DAA0 (Reg S)	US$300,000,000	US$950	US$100	US$50

(1) The Existing Notes are currently listed on the Luxembourg Stock Exchange and traded on its Euro MTF Market and are listed on the BYMA (as defined in the Exchange Offer and Proxy Solicitation Memorandum) and are traded on the MAE (as defined in the Exchange Offer and Proxy Solicitation Memorandum).
(2) Per US$1,000 principal amount of Existing Notes validly tendered and accepted for exchange. The Exchange Consideration (as defined in the Exchange Offer and Proxy Solicitation Memorandum) does not include the Accrued Interest Payment (as defined in the Exchange Offer and Proxy Solicitation Memorandum).
(3) No separate or additional fee will be paid in connection with the Solicitation.

This Supplement No. 1 (this "Supplement No. 1") amends and supplements the information contained in the exchange offer and proxy solicitation memorandum dated August 6, 2020 (the "Exchange Offer and Proxy Solicitation Memorandum") with respect to the offer by Compañía General de Combustibles S.A., a *sociedad anónima* organized and existing under the laws of the Republic of Argentina ("CGC" or the "Company"), to exchange any and all of its outstanding 9.500% Senior Notes due 2021 (the "Existing Notes") and soliciting proxies to amend certain covenants and events of default under the indenture for the Existing Notes, upon the terms and subject to the conditions set forth in this Exchange Offer and Proxy Solicitation Memorandum

Terms used but not defined in this Supplement No. 1 have the respective meanings given to them in the Exchange Offer and Proxy Solicitation Memorandum. Except for this supplemental information, all other information contained in the Exchange Offer and Proxy Solicitation Memorandum remains unmodified.

You should read this Supplement No. 1 together with the Exchange Offer and Proxy Solicitation Memorandum, including the section of the Exchange Offer and Proxy Solicitation Memorandum entitled "Risk Factors." However, to the extent that any information in the Exchange Offer and Proxy Solicitation Memorandum is inconsistent with the information set forth in this Supplement No. 1, you should rely on the information in this Supplement No. 1 and not on the information in the Exchange Offer and Proxy Solicitation Memorandum.

None of the SEC, the CNV or any other regulatory body has registered, recommended or approved the issuance of these securities or passed upon the accuracy or adequacy of this Exchange Offer and Proxy Solicitation Memorandum, except that the CNV has authorized the public offering of the New Notes in Argentina under our frequent issuer regime, which has been authorized by the CNV pursuant to Dispositions No. DI-2019-61-APN-GE#CNV and DI-2020-25-APN-GE#CNV. Any representation to the contrary is a criminal offense.

Dealer Managers and Solicitation Agents

Citigroup **J.P. Morgan** **Santander**

The date of this Supplement No. 1 to the Exchange Offer and Proxy Solicitation Memorandum is August 12, 2020

TABLE OF CONTENTS

Page

AMENDMENTS TO THE EXCHANGE OFFER AND PROXY SOLICITATION MEMORANDUM

1. The section "Summary of the Offer and Solicitation—No Fractional Interests" is hereby deleted and replaced in its entirety with:

Cash Rounding Amount..........................	If, with respect to any tender of Existing Notes, it is determined that an Eligible Holder would be entitled, pursuant to the Exchange Offer, to receive New Notes in an aggregate principal amount that is at least US$1,000 but not an integral multiple of US$1,000 in excess thereof, the Issuer will round downward the principal amount of such New Notes to the nearest multiple of US$1,000 and will pay or cause to be paid to such Eligible Holder on the Settlement Date an amount in cash equal to the fractional portion of such aggregate principal amount of New Notes not issued as a result of such rounding down. If, however, such Eligible Holder would be entitled to receive less than US$1,000 principal amount of New Notes, the Eligible Holder's tender will be rejected in full, no cash will be paid and the Existing Notes subject to this tender will be returned to the Eligible Holder.

2. The section "Summary of the Offer and Solicitation—Additional Amounts" is hereby deleted and replaced in its entirety with:

Additional Amounts................................	All payments made by us or on our behalf of principal, sums included as Early Tender Consideration, Later Tender Consideration and Cash Rounding Amounts, premium, if any, and interest in respect of the New Notes will be made without withholding or deduction for or on account of any present or future taxes, duties, levies, fees assessment or other governmental charges of whatsoever nature imposed by any jurisdiction and by any level of government (including, penalties, interest and other liabilities related thereto) unless required by law, in which case, subject to specified exceptions and limitations, we will pay such additional amounts as may be required so that the net amount received by the holders of the notes, after any such withholding or deduction, will not be less than the amount that would have been received in the absence of any such withholding or deduction. See "The Offer and Solicitation—Additional Amounts" and "Description of the New Notes — Additional Amounts."

3. The section "The Offer and Solicitation—No Fractional Interests" is hereby deleted and replaced in its entirety with:

Cash Rounding Amount

If, with respect to any tender of Existing Notes, it is determined that an Eligible Holder would be entitled, pursuant to the Exchange Offer, to receive New Notes in an aggregate principal amount that is at least US$1,000 but not an integral multiple of US$1,000 in excess thereof, the Issuer will round downward the principal amount of such New Notes to the nearest multiple of US$1,000 and will pay or cause to be paid to such Eligible Holder on the Settlement Date an amount in cash equal to the fractional portion of such aggregate principal amount of New Notes not issued as a result of such rounding down. If, however, such Eligible Holder would be entitled to receive less than US$1,000 principal amount of New Notes, the Eligible Holder's tender will be rejected in full, no cash will be paid and the Existing Notes subject to this tender will be returned to the Eligible Holder.

4. The section "The Offer and Solicitation—Additional Amounts" is hereby deleted and replaced in its entirety with:

Additional Amounts

The Company understands that the Early Tender Payment, the Late Tender Payment and the Cash Rounding Amounts to holders of Existing Notes, who do not qualify as Argentine Entity Offeree or a Non-Cooperating Jurisdiction Offeree, is not subject to withholding or deduction by the Company for any Argentine taxes, levies, fees, assessment or other governmental charges of whatsoever nature imposed by any jurisdiction and by any level of government (including penalties, interest and other liabilities related thereto). In the event that the Company is required by law to deduct or withhold a portion of the Early Tender Payment or the Late Tender Payment or the Cash Rounding Amounts, as applicable, payable to an Eligible Holder, who does not qualify as Argentine Entity Offeree or a Non-Cooperating Jurisdiction Offeree, pursuant to the Offer to holders of the Existing Notes, the Company agrees to (i) pay such Additional Amounts as may be necessary to ensure that the amounts received by any such holder of Existing Notes after such withholding or deduction (including any withholding or deduction with respect to such additional amounts) shall equal the amount that such holder of Existing Notes would have received in the absence of such withholding or deduction and (ii) indemnify and hold harmless (on a grossed-up basis) such holder of Existing Notes from any loss that may affect such holder of Existing Notes, including any payment which such holder of Existing Notes may have been obliged to make, in direct connection with any determination by Argentine tax authorities or Argentine Governmental Authorities having the power to tax that a withholding tax or deduction was applicable.

Eligible Holders who represent to be Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees when submitting the Agent's Message and the applicable Letter of Transmittal may be subject to certain tax withholdings in respect of interest collected on, and gains or losses resulting from the tendering of the Existing Notes|. See "Taxation—Certain Argentine Tax Considerations". Such Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees are not eligible to receive additional amounts in respect of any such tax withholdings. Any Accrued Interest Payment due to Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees who tender Existing Notes in this Exchange Offer will be subject to the applicable tax withholding at an effective withholding tax rate of 6% (subject to the withholding regime established by the General Resolution (AFIP) No. 830/2000), and up to 35%, respectively. Any capital gains deriving from the Exchange Consideration and Cash Rounding Amounts paid to Non-Cooperating Jurisdiction Offerees who tender Existing Notes in this Exchange Offer will be subject to the applicable tax withholding at an effective withholding tax rate of 31.5% on the gross amount. Neither the Company nor any of its agents or affiliates will be required to pay any additional amounts or other gross-up amounts in respect of such tax withholdings to the Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees.

In the case of tax withholding applicable to any Exchange Consideration in accordance with this Exchange Offer and Consent Solicitation Memorandum and the preceding paragraph, the Company will deduct the relevant amount from the cash payments payable to those Non-Cooperating Jurisdiction Offerees who validly tender their Existing Notes and are accepted by the Company in the Exchange Offer and Consent Solicitation. If the total amount of the cash payments is withheld by the Company for the purposes of the applicable tax withholding, any outstanding amounts thereunder will be deducted by the Company from the Exchange Consideration, in a principal amount of New Notes equal to the remaining amount of the applicable tax withholding.

5. The Risk Factor "A U.S. Holder that exchanges its Existing Notes pursuant to the Exchange Offer generally will not be permitted to recognize a loss for United States federal income tax purposes upon the exchange" is hereby deleted and replaced in its entirety with:

A U.S. Holder that exchanges its Existing Notes pursuant to the Exchange Offer generally will not be permitted to recognize a loss for United States federal income tax purposes upon the exchange.

We intend to treat the tender of an Existing Note pursuant to the Exchange Offer for United States federal income tax purposes as a tax-free recapitalization. Under this treatment, a tendering U.S. Holder (as defined below) generally would not be permitted to recognize any loss for United States federal income tax purposes upon the exchange. However, for U.S. tax purposes, fractional denominations of New Notes will be treated as issued and disposed of for Cash Rounding Amounts. Accordingly, a U.S. holder will recognize gain or loss equal to the difference between the Cash Rounding Amounts and the U.S. holder's basis in such fractional denominations of New Notes. Each U.S. Holder should consult its own tax advisor with regard to the Offer and Solicitation and the application of United States federal income tax laws, as well as the laws of any state, local or non-United States taxing jurisdictions, to its particular situation. See "*Taxation—Certain U.S. Federal Income Tax Considerations*."

6. The Risk Factor "A substantial amount of cash that would be available to satisfy payments under the Existing Notes at maturity will instead be used to pay the Early Cash Consideration, the Late Cash Consideration, as applicable, as well as the Accrued Interest Payment and processing fee" is hereby deleted and replaced in its entirety with:

A substantial amount of cash that would be available to satisfy payments under the Existing Notes at maturity will instead be used to pay the Early Cash Consideration or Late Cash Consideration, as applicable, as well as the Accrued Interest Payment, the Cash Rounding Amounts and processing fee.

In addition to the New Notes Consideration, Eligible Holders that participate in the Exchange Offer will receive either the Early Cash Consideration if they validly tender their Existing Notes and deliver the related Proxies on or prior to the Early Tender Date or the Late Cash Consideration if they validly tender their Existing Notes and deliver the related Proxies after the Early Tender Date but on or prior to the Expiration Date. Holders will also receive the Accrued Interest Payment, the Cash Rounding Amounts and, in certain circumstances, we may pay a processing fee to eligible Processing Agents. These payments will constitute a substantial cash expense that will reduce the amount of cash available to the Company to make payments due on the Existing Notes. Holders of the Existing Notes that do not tender in the Exchange Offer may be subject to the risk that the Company does not have sufficient funds available to pay principal and interest on the Existing Notes at maturity.

7. The Risk Factor "Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees will be subject to withholding of Argentine taxes" is hereby deleted and replaced in its entirety with:

Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees will be subject to withholding of Argentine taxes.

Eligible Holders who represent to be Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees when submitting the Agent's Message and the applicable Letter of Transmittal may be subject to certain tax withholdings in respect of interest collected on, and gains or losses resulting from the tendering of the Existing Notes|. See "Taxation—Certain Argentine Tax Considerations". Such Argentine Entity Offerees and Non-Cooperating Jurisdiction Offerees are not eligible to receive additional amounts in respect of any such tax withholdings. Any Accrued Interest Payment due to Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees who tender Existing Notes in this Exchange Offer will be subject to the applicable tax withholding at an effective withholding tax rate of 6% (subject to the withholding regime established by the General Resolution (AFIP) No. 830/2000), and up to 35%, respectively. Any capital gains deriving from the Exchange Consideration or the Cash Rounding Amounts paid to Non-Cooperating Jurisdiction Offerees who tender Existing Notes in this Exchange Offer will be subject to the applicable tax withholding at an effective withholding tax rate of 31.5% on the gross amount. Neither the Company nor any of its agents or affiliates will be required to pay any additional amounts or other gross-up amounts in respect of such tax withholdings to the Argentine Entity Offerees or Non-Cooperating Jurisdiction Offerees.

In the case of tax withholding applicable to any Exchange Consideration or the Cash Rounding Amounts (as applicable) in accordance with this Exchange Offer and Consent Solicitation Memorandum and the preceding paragraph, the Company will deduct the relevant amount from the cash payments payable to those Non-Cooperating Jurisdiction Offerees who validly tender their Existing Notes and are accepted by the Company in the Exchange Offer and Consent Solicitation. If the total amount of the cash payments is withheld by the Company for the purposes of the applicable tax withholding, any outstanding amounts thereunder will be deducted by the Company from the Exchange Consideration, in a principal amount of New Notes equal to the remaining amount of the applicable tax withholding.

8. Clause (28) of the definition of "Permitted Liens" in "Description of the New Notes—Certain Definitions" is hereby deleted and replaced in its entirety with:

(28) other Liens securing Debt in an aggregate principal amount outstanding, together with all other Debt secured by Liens Incurred pursuant to this clause (28), not exceeding (i) from the Issue Date to November 15, 2021, US$20 million (or the equivalent in other currencies) and (ii) from November 16, 2021 to the Maturity Date, the greater of (a) US$45 million (or the equivalent in other currencies) and (b) 5.0% of Consolidated Tangible Assets.

9. The third paragraph under “Certain United States Federal Income Tax Considerations—Tax Consequences of Exchange of Existing Notes—Recapitalization Rules” shall be deleted and replaced in its entirety with:

Recapitalizations generally do not result in the recognition of gain or loss, subject to certain exceptions. However, U.S. Holders will recognize gain equal to the lesser of (i) the cash payments (other than payments of accrued interest and Cash Rounding Amounts), if any, including the amount of any withholding taxes and any additional amounts paid with respect thereto, (“boot”) and (ii) the gain realized by the U.S. Holder. The gain realized by a U.S. Holder is equal to the excess of (i) the sum of (x) the issue price, as described below under “*Tax Consequences to U.S. Holders of Holding and Disposing of New Notes —Issue Price of the New Notes*,” of the New Notes received in exchange for Existing Notes and (y) boot over (ii) the U.S. Holder’s adjusted tax basis in the Existing Notes surrendered in the exchange.

For U.S. tax purposes, fractional denominations of New Notes will be treated as issued and disposed of for Cash Rounding Amounts. Accordingly, a U.S. holder will recognize gain or loss equal to the difference between the Cash Rounding Amounts and the U.S. holder’s basis in such fractional denominations of New Notes.

10. The following is added to the comparison table in “Summary Comparison of Differences Between the Current Terms of Existing Notes and the New Notes”:

	Existing Notes	**New Notes**
Definition of “Permitted Liens”	The definition of “Permitted Liens” excludes, *inter alia*, the following: • other Liens securing Debt in an aggregate principal amount outstanding, together with all other Debt secured by Liens Incurred pursuant to clause (29) of definition of “Permitted Liens,” not exceeding the greater of (a) US$12 million (or the equivalent in other currencies) and (b) 5.0% of Consolidated Tangible Assets.	The definition of “Permitted Liens” excludes, *inter alia*, the following: • other Liens securing Debt in an aggregate principal amount outstanding, together with all other Debt secured by Liens Incurred pursuant to clause (28) of definition of “Permitted Liens,” not exceeding (i) from the Issue Date to November 15, 2021, US$20 million (or the equivalent in other currencies) and (ii) from November 16, 2021 to the Maturity Date, the greater of (a) US$45 million (or the equivalent in other currencies) and (b) 5.0% of Consolidated Tangible Assets. .
Definition of “Permitted Investments”	The definition of “Permitted Investments” excludes, *inter alia*, the following: • in addition to Investments listed in the definition of “Permitted Investments,” other Investments, together with all other Investments pursuant to clause (16) of the definition of “Permitted Investments,” in an aggregate amount outstanding at the time not to exceed the greater of (a) US$12 million (or the equivalent in other currencies) and (b) 5.0% of Consolidated Tangible Assets.	The definition of “Permitted Investments” excludes, *inter alia*, the following: • in addition to Investments listed in the definition of “Permitted Investments,” other Investments, together with all other Investments pursuant to clause (16) of the definition of “Permitted Investments,” in an aggregate amount outstanding at the time not to exceed the greater of (a) US$45 million (or the equivalent in other currencies) and (b) 5.0% of Consolidated Tangible Assets.

11. Other information contained in the Exchange Offer and Proxy Solicitation Memorandum is deemed to be similarly amended to the extent affected by the changes described above.

SELECTED FINANCIAL AND OTHER INFORMATION

The following tables present a summary of our financial and operating information for each of the periods indicated. This information should be read in conjunction with, and is qualified in its entirety by reference to, our financial statements for the period ended June 30, 2020 included in this Supplement No. 1 and the Financial Statements included in this Exchange Offer and Proxy Solicitation Memorandum, as well as the information included under sections "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Supplement No. 1 and the Exchange Offer and Proxy Solicitation Memorandum.

Unless otherwise indicated, in this Supplement No. 1 we have converted U.S. dollar amounts (i) as of December 31, 2019 at the exchange rate of Ps. 59.89 per US$1.00, by reference to the seller's exchange rate for wire transfers (*divisas*) published by the Banco de la Nación Argentina as of December 31, 2019, and (ii) as of June 30, 2020 at the exchange rate of Ps. 70.46 per US$1.00, by reference to the seller's exchange rate for wire transfers (*divisas*) published by the Banco de la Nación Argentina as of June 30, 2020, respectively. The exchange rates used for currency translations in an SEC registered offering would differ, possibly materially, from the rates used herein.

Financial Information

The unaudited condensed interim financial statements included in this Supplement No. 1 present our statement of financial position as of June 30, 2020 and our statement of comprehensive income, of changes in equity and cash flows for each of the six months ended June 30, 2020 and 2019 (our "Half-Year Unaudited Condensed Financial Statements"). Our Half-Year Unaudited Condensed Financial Statements have been prepared in accordance with IAS 34 "Interim Financial Reporting," issued by the IASB and, in the opinion of our management, include all adjustments (consisting only of normal recurring adjustments) that are necessary for a fair presentation of our financial information for these periods.

The accounting principles used in the preparation of the Half-Year Unaudited Condensed Financial Statements are consistent with those used in the preparation of the Audited Financial Statements. The results for the six month period ended June 30, 2020 are not necessarily indicative of results to be expected for the entire year ending December 31, 2020. With respect to the Half-Year Unaudited Condensed Financial Statements, PwC has performed the procedures specified for a review of interim financial information as described in the International Standard for Review Engagements No. 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE 2410) and issued a review report thereon dated August [12], 2020, which is also included elsewhere in this Supplement No. 1. The scope of a review is substantially less extensive than an audit, which aims to express an opinion on a set of financial statements. Accordingly, PwC has not expressed an audit opinion on the Half-Year Unaudited Condensed Financial Statements. We refer to the Half-Year Unaudited Condensed Financial Statements presented in this Supplement No. 1, together with the Audited Financial Statements and the Interim Unaudited Condensed Financial Statements presented in the Exchange Offer and Proxy Solicitation Memorandum together as the "Financial Statements."

Due to the high level of inflation prevailing in Argentina during the last three years, we have applied inflationary adjustments to our Half-Year Unaudited Condensed Financial Statements. See note 2 to our Half-Year Unaudited Condensed Financial Statements and "Presentation of Financial and Other Information – Financial Statements – Application of IAS 29 "Financial Reporting in Hyperinflationary Economies" in the Exchange Offer and Proxy Solicitation Memorandum. See also "Risk Factors—Risks Related to Argentina—As of July 1, 2018, the Argentine peso qualifies as a currency of a hyperinflationary economy, and we are required to apply inflationary adjustments to our financial statements, which could adversely affect our financial statements, results of operations and financial condition" and "Management's Discussion and Analysis of Financial Condition and Results of Operations —Inflation" in the Exchange Offer and Proxy Solicitation Memorandum. '

Accordingly, the financial information as of June 30, 2020 and for the six months ended June 30, 2020 and 2019 has been derived from our Half-Year Unaudited Condensed Financial Statements included in this Supplement No. 1. Our Half-Year Unaudited Condensed Financial Statements have been measured in terms of current Argentine pesos as of June 30, 2020 applying the guidance in IAS 29. We have not recast our Audited Financial Statements to measure them in terms of current Argentine pesos as of June 30, 2020, the most recent financial period included herein. Therefore, the Audited Financial Statements and the Half-Year Unaudited Condensed Financial Statements are not directly comparable. The change in the general price index between December 31, 2019 and June 30, 2020 was 13.64%.

Statements of Comprehensive (Loss) Income

	Six Months Ended June 30, (unaudited)		
	2020	2020	2019
	(U.S. Dollars in thousands, unaudited)	*(Ps. in thousands, adjusted for inflation as of June 30, 2020)*	
Revenue [1]	US$ 175,609	Ps. 12,373,408	Ps. 17,382,782
Cost of revenue	(119,733)	(8,436,394)	(10,522,403)
Gross profit	55,876	3,937,014	6,860,379
Selling expenses	(7,235)	(509,772)	(710,892)
Administrative expenses	(8,412)	(592,728)	(745,817)
Exploration expenses	(68)	(4,811)	(1,997)
Other operating income (expenses), net	(38,581)	(2,718,397)	(80,933)
Operating (loss) income	**1,580**	**111,306**	**5,320,740**
Results of investments in associates	13,619	959,612	845,433
Finance income	371	26,154	38,498
Finance costs	(22,638)	(1,595,076)	(1,330,722)
Hyperinflation effect	(11,908)	(839,010)	(564,124)
Other financial results	(13,562)	(955,555)	1,599,042
Income (loss) before taxes	(32,537)	(2,292,569)	5,908,867
Income tax for the period	11,539	813,045	(1,323,057)
Profit (loss) for period	(20,998)	(1,479,524)	4,585,810

(1) For the six months ended June 30, 2020 and 2019, includes Ps. 5,659.1 million and Ps. 3,949.2 million in government subsidies, respectively. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Trends Related to Our Oil and Gas Business—Revenues" and "Risk Factors—Risks Related to the Oil and Gas Industry—Changes in local domestic oil and gas pricing arrangements and subsidies in Argentina could adversely affect our results of operations" in the Exchange Offer and Proxy Solicitation Memorandum. See also note 24 a) to our Audited Financial Statements and note 18 to our Half-Year Unaudited Condensed Financial Statements.

Statement of Financial Position

	As of December 31,[1] (audited, except for U.S. dollar translations)			As of June 30, (unaudited)		
	2019	2019	2018	2020	2020	2019
	(U.S. Dollars in thousands, unaudited)	*(Ps. in thousands, adjusted for inflation as of December 31, 2019)*		*(U.S. Dollars in thousands, unaudited)*	*(Ps. in thousands, adjusted for inflation as of June 30, 2020)*	
Assets						
Non-current assets						
Property, plant and equipment	US$ 401,454	Ps. 24,043,061	Ps. 21,034,778	US$ 328,501	Ps. 23,146,151	Ps. 27,311,311
Investments in associates	230,275	13,791,150	11,736,864	225,205	15,867,928	15,665,825
Other investments	10,330	618,670	-	-	-	702,768
Right of use assets	17,396	1,041,870	-	11,111	782,873	1,183,495
Other receivables	6,546	392,058	2,164,378	6,086	428,825	445,352
Trade receivables	4,746	284,250	540,670	3,810	268,458	322,889
Total non-current assets	670,747	40,171,059	35,476,690	574,712	40,494,235	45,631,640
Current assets						
Inventories	18,272	1,094,310	1,309,781	19,083	1,344,619	1,243,063
Other receivables	64,265	3,848,859	4,241,405	78,759	5,549,350	4,372,047
Trade receivables	78,976	4,729,847	7,388,109	46,134	3,250,627	5,372,790
Investment at amortized cost	22,349	1,338,505	-	22,359	1,575,381	1,520,452
Investment at fair value	5,061	303,123	502,857	5,530	389,610	344,327
Cash and cash equivalents	70,372	4,214,590	1,589,587	112,727	7,942,773	4,787,493
Total Current Assets	259,296	15,529,234	15,031,739	284,592	20,052,360	17,640,172

Total Assets	930,043	55,700,293	50,508,429	859,304	60,546,595	63,271,812
Equity						
Share capital	6,665	399,138	399,138	5,665	399,138	399,138
Capital adjustment	35,320	2,115,289	2,115,289	34,872	2,457,085	2,457,085
Reserves	101,677	6,089,438	587,233	98,172	6,917,195	6,917,195
Retained earnings	89,262	5,345,911	5,740,839	69,479	4,895,491	6,072,598
Other comprehensive income	87,993	5,269,914	6,314,223	76,557	5,394,202	5,986,270
Total equity attributable to the Company's shareholders	320,917	19,219,690	15,156,722	284,745	20,063,111	21,832,286
Total equity	320,917	19,219,690	15,156,722	284,745	20,063,111	21,832,286
Liabilities						
Non-Current Liabilities						
Provisions for legal claims and other proceedings	1,594	95,493	87,008	2,053	144,622	108,474
Other provisions	42,919	2,570,395	2,113,271	43,372	3,055,959	2,919,797
Deferred tax liability	40,572	2,429,857	650,093	26,442	1,863,124	2,760,155
Tax payables	162	9,687	39,429	31	2,178	11,004
Financial debts	358,425	21,466,069	22,130,129	323,393	22,786,237	24,384,020
Lease liabilities	7,626	456,706	-	4,692	330,609	518,787
Total Non-Current Liabilities	451,297	27,028,207	25,019,930	399,982	28,182,729	30,702,237
Current liabilities						
Other provisions	23	1,405	2,383	19	1,343	1,596
Other liabilities	2,569	153,866	218,104	1,420	100,019	174,781
Tax payables	2,175	130,267	313,307	3,082	217,178	147,975
Salaries and social security contributions	4,776	286,019	368,987	3,272	230,543	324,898
Lease liabilities	10,492	628,345	-	8,639	608,732	713,758
Financial debts	74,970	4,489,967	3,894,605	136,526	9,619,648	5,100,302
Trade payables	62,824	3,762,527	5,534,391	21,619	1,523,292	4,273,979
Total Current Liabilities	157,829	9,452,396	10,331,777	174,578	12,300,755	10,737,289
Total liabilities	609,127	36,480,603	35,351,707	574,560	40,483,484	41,439,526
Total equity and liabilities	930,043	55,700,293	50,508,429	859,304	60,546,595	63,271,812

(1) We have not recast our Audited Financial Statements to measure them in terms of current Argentine pesos as of June 30, 2020, the most recent financial period included herein. Therefore, the Audited Financial Statements and the Half-Year Unaudited Condensed Financial Statements are not directly comparable.

Non-IFRS Information

We define Adjusted EBITDA as net consolidated income or loss (i) *minus* financial income, gains and cash investments in investments valued under the equity method, (ii) *plus* financial costs, financial results, depreciation and amortization, income tax, tax on financial transactions, exploration expenses, impairment of property, plant and equipment, other operating income (expense), net, losses on investments valued under the equity method, and (iii) adjusted to reflect inflation in accordance with IAS 29. Our calculation of EBITDA may not be comparable to other companies' calculation of similarly titled measures. See "Presentation of Financial and Other Information" in the Exchange Offer and Proxy Solicitation Memorandum.

Our management uses non-IFRS measures such as Adjusted EBITDA, among other measures, for internal planning and performance measurement purposes. We believe these measures provide useful information about the financial performance of our operations that facilitates period-to-period comparisons on a consistent basis. Management uses Adjusted EBITDA internally to evaluate our underlying operating performance for the reporting periods presented and to assist with the planning and forecasting of future operating results. Additionally, our calculation of Adjusted EBITDA may be different from the calculation used by other companies, including our competitors in the energy sector, so our measures may not be comparable to those of other companies.

We calculate Adjusted EBITDA as our net income increased or decreased (without duplication), as applicable, by the following:

- decreased by financial income and increased by financial costs;
- increased by other financial results;
- increased by depreciation and amortization;

- increased by income tax and tax on financial transactions;
- increased by exploration expenses;
- increased by impairment of property, plant and equipment;
- increased by other operating income (expense), net;
- decreased by gains and increased by losses on investments valued under the equity method;
- adjusted to reflect inflation in accordance with IAS 29.

We calculate Adjusted EBITDA as per dividends collected as Adjusted EBITDA increased by cash dividends received from our investments valued under the equity method (and decreased by cash investments in our investments valued under the equity method).

The following table sets forth a reconciliation of Adjusted EBITDA as per dividends collected and Adjusted EBITDA to net income or loss for each of the periods presented and shows:

	Six Months Ended June 30, (unaudited)		
	2020	2020	2019
	(U.S. Dollars in thousands, unaudited)	*(Ps. in thousands, adjusted for inflation as of June 30, 2020)*	
Net Income (Loss)	US$ (20,998)	Ps.(1,479,524)	Ps. 4,585,810
Financial Income	(371)	(26,154)	(38,498)
Financial Costs	22,638	1,595,076	1,330,722
Hyperinflation effect	11,908	839,010	564,124
Other financial results	13,562	955,555	(1,599,042)
Depreciation and amortization	61,131	4,307,304	3,995,173
Income tax	(11,539)	(813,045)	1,323,057
Tax on financial transactions	1,371	96,610	107,266
Exploration expenses	68	4,811	1,997
Impairment of property, plant and equipment	32,642	2,299,981	-
Other operating income (expenses), net	2,349	165,519	177,133
Gains and losses on investments valued under the equity method	(13,619)	(959,612)	(845,433)
Adjusted EBITDA (unaudited)	99,142	6,985,531	9,602,309
Dividends collected in the current year	10,007	705,116	1,121,180
Adjusted EBITDA as per dividends collected (unaudited)	**US$ 109,149**	**Ps. 7,690,647**	**Ps. 10,723,489**

(1) We have not recast our Audited Financial Statements to measure them in terms of current Argentine pesos as of June 30, 2020, the most recent financial period included herein. Therefore, the Audited Financial Statements and the Half-Year Unaudited Condensed Financial Statements are not directly comparable.

Operating Information

The following table sets forth our net average daily production of crude oil and natural gas in Argentina, for the years ended December 31, 2019 and 2018 and for the three months and six months ended June 30, 2020.

	Three Months ended June 30,		**Six Months ended June 30,**	
	2020	2019	2020	2019
PRODUCTION[1]				
Crude oil production (bbl/d)[2]				
Austral	5,100.3	6,432.8	5,373.6	6,380.2
Northwestern	87.9	66.4	84.1	67.5
Neuquina	-	10.1	-	10.6
Total crude oil production	**5,188.1**	**6,509.3**	**5,457.7**	**6,458.3**
Natural gas production (Mm^3/d)[3]				
Austral	5,029.5	5,106.3	5,187.4	4,970.8
Northwestern	58.3	68.3	60.0	67.4
Neuquina	-	19.6	-	21.0
Total natural gas production	**5,087.8**	**5,194.3**	**5,247.5**	**5,059.2**
Total (boe/d)	**37,189.1**	**39,180.3**	**38,463.2**	**38,279.6**

(1) We present production figures net of interests due to others, but before deduction of royalties, as we believe that net production before royalties is more appropriate in light of the royalty regime.

(2) Includes oil, condensates and LPG.

(3) In boe/d, our gas production amounted to 32,001 and 32,671 for the three months ended June 30, 2020 and 2019, respectively, and 33,006 and 31,821 for the six months ended June 30, 2020 and 2019, respectively.

CAPITALIZATION

The table below sets forth (a) our total cash and cash equivalents and current investments; and (b) our capitalization under IFRS as of June 30, 2020 (i) on an actual basis, and (ii) as adjusted to give effect to the Exchange Offer, including the cancellation of all outstanding Existing Notes (assuming all outstanding Existing Notes are tendered in the Exchange Offer prior to the Early Tender Date and holders thereof receive the Early Tender Payment).

This table is qualified in its entirety by reference to, and should be read together with, "Presentation of Financial and Other Information," "Use of Proceeds," "Selected Financial and Other Information," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our Half Year Unaudited Condensed Financial Statements included in this Exchange Offer and Proxy Solicitation Memorandum.

	As of June 30, 2020 (unaudited)			
	Actual	As adjusted(2)	Actual	As adjusted(2)
	(Ps. in millions)		(US$ in millions)(1)	
Cash and cash equivalents	7,942.8	5,242.4	112.7	74.4
Short-term financial debt				
Corporate Bonds	4,130.3	3,561.8	58.6	50.6
Bank Loans	4,519.7	4,519.7	64.2	64.2
Bank Overdrafts	969.6	969.6	13.8	13.8
Long-term financial debt				
Corporate Bonds	22,786.2	21,735.7	323.4	308.5
Bank Loans	-	-	-	-
Total indebtedness	32,405.8	30,786.8	459.9	436.9
Total shareholder's equity	20,063.1	18,981.7	284.7	269.4
Total capitalization	52,468.9	49,768.5	744.7	706.3

(1) Amounts stated in U.S. dollars have been converted from Argentine pesos at the exchange rate of Ps. 70.46 to US$1.00, which was the seller's exchange rate for wire transfers (*divisas*) published by the Banco de la Nación Argentina on June 30, 2020.
(2) Assumes cancellation of all outstanding Existing Notes and that all holders receive the Early Tender Payment.

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of the financial condition and results of our operations in conjunction with our Half-Year Unaudited Condensed Financial Statements included in this Supplement No. 1 and the Audited Financial Statements and Interim Unaudited Condensed Financial Statements included in the Exchange Offer and Proxy Solicitation Memorandum, as well as the information presented under “Selected Financial and Operating Data” herein and therein. This discussion supplements the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained in the Exchange Offer and Proxy Solicitation Memorandum and should be read together with the information presented therein. This discussion contains forward-looking statements reflecting our current expectations that involve risks and uncertainties. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the section entitled “Risk Factors” and elsewhere in the Exchange Offer and Proxy Solicitation Memorandum.

COVID-19 Pandemic

The COVID-19 pandemic has had an impact on both our business and the hydrocarbon industry in Argentina generally. While our production activities are considered essential services exempt from the mandatory isolation measures adopted by the Argentine government, our drilling activity was suspended during the first quarter of 2020 through June 24, 2020 due to the lockdown measures established by the government. Although drilling was suspended during this time, production from our active wells continued and our operations were not significantly affected during the six months ended June 30, 2020.

The COVID-19 pandemic has had a significant impact on the hydrocarbon industry as a whole, as demand has significantly decreased in the current context and volatility in oil prices has significantly increased, with international benchmark prices reaching negative levels in April 2020. In response to the effects of increased volatility in oil prices which was exacerbated by COVID-19, the Argentine government enacted measures to support the hydrocarbon sector on May 19, 2020 by establishing a reference price for the so-called “Criollo barrel” sold in the local market at US$45 per barrel until December 31, 2020, subject to certain conditions. See “Regulations—Crude Oil and Fuel Price” in the Exchange Offer and Proxy Solicitation Memorandum.

In addition, demand in the local gas market has been affected due to the lockdown measures in place which have led to lower prices being established at the gas auctions for suppliers with the Compañía Administradora del Mercado Mayorista Eléctrico Sociedad Anónima (CAMMESA). In this context and due to the lack of new price auctions in the subsidies market through the Mercado Electrónico de Gas S.A. (MEGSA), gas producers including the Company have extended existing contracts with distributors for additional periods of up to three months as of June 30, 2020. In April, the Ente Nacional Regulador del Gas (ENARGAS) also issued Resolution No. 27/2020 repealing the previous methodology used to pass gas prices on to tariffs.

The Company’s management is closely monitoring the developments and effects of COVID-19 in order to ensure the health and safety of its personnel, maintain operations and preserve its financial condition. In the first quarter of 2020, the Company recognized a further impairment of property plant equipment which as reflected in the Company’s Half-Year Unaudited Condensed Financial Statements amounted to Ps. 2,300.0 million in relation to its assets in the cash generating units of Dos Hermanos, Campo Boleadoras, La Maggie, María Inés and Cóndor (which had been subject of previous impairment charges as of December 31, 2019 given declining oil prices) due to the current and expected decrease in activity and the fall in international prices in the oil industry. In addition, the increased volatility and decrease in oil prices particularly in the first quarter of 2020, further exacerbated by the effects of COVID-19 pandemic, also led to the impairment of inventories (crude oil and by-products, materials and spare parts) because the net realizable value of inventories was lower than the production costs for these inventories. In the financial statements for the first quarter of 2020, the Company recorded inventories of Ps. 1,140.2 million, net of Ps. 208 million impairment, and in the Half Year Unaudited Condensed Financial Statements, the Company recorded inventories of Ps. 1,344.6 million, net of a Ps. 58 million impairment.

We cannot at this stage determine the full impacts of the pandemic on our result of operations. See “Regulations—The Health Emergency caused by the COVID-19 pandemic and its economic, financial, social and humanitarian consequences,” “Regulations—Crude Oil and Fuel Price” and “Risk Factors—The COVID-19 pandemic has and may continue to adversely affect the Argentine economy and, as a result, our financial condition and results of operations" in the Exchange Offer and Proxy Solicitation Memorandum.

Results of Operations

The tables below set forth our results of operations for the six months ended June 30, 2020 and 2019, expressed in constant Argentine pesos as of June 30, 2020.

	Six months ended June 30, (unaudited)			
	2020		**2019**	
	(Ps. in millions, as adjusted for inflation as of June 30, 2020)	**% of Revenues**	**(Ps. in millions, as adjusted for inflation as of June 30, 2020)**	**% of Revenues**
Revenues	12,373.4	100.0	17,382.8	100.0
Cost of revenues	(8,436.4)	(68.2)	(10,522.4)	(60.5)
Gross profit	**3,937.0**	**31.8**	**6,860.4**	**39.5**
Selling expenses	(509.8)	(4.1)	(710.9)	(4.1)
Administrative expenses	(592.7)	(4.8)	(745.8)	(4.3)
Exploration expenses	(4.8)	0.0	(2.0)	0.0
Other operating income (expenses)	(2,718.4)	(22.0)	(80.9)	(0.05)
Operating income (loss)	**111.3**	**0.9**	**5,320.7**	**30.6**
Results of investments in associates	959.6	7.8	845.4	4.9
Financial income	26.2	0.2	38.5	0.2
Financial costs	(1,595.1)	(12.9)	(1,330.7)	(7.7)
Hyperinflation effect\	(839.0)	(6.8)	(564.1)	(3.2)
Other financial results	(955.6)	(7.7)	1,599.0	9.2
Profit (loss) before taxes	**(2,292.6)**	**(18.5)**	**5,908.9**	**34.0**
Income tax	813.0	6.6%	(1,323.1)	(7.6)
Profit (loss) for the period	**(1,479.5)**	**(12.0)**	**4,585.8**	**26.4**

Comparison of the six months ended June 30, 2020 to the six months June 30, 2019

Revenues

Revenues decreased by Ps. 5,009.4 million, or 28.8%, during the six months ended June 30, 2020 compared to the six months ended June 30, 2019. This decrease was primarily due to a 35.1% decrease in gas sales and 78.7% decrease in crude oil sales, due mainly to lower market prices of gas and crude oil, partially offset by 43.3% increase in incentives for unconventional hydrocarbons due to the decrease in gas prices. For the six months ended June 30, 2020 crude oil sales, gas sales, and other sales represented 8.3%, 87.3%, and 4.4% of our revenues, respectively.

Cost of Revenues

Cost of revenues decreased by Ps. 2,086.0 million, or 19.8%, during the six months ended June 30, 2020 compared to the six months ended June 30, 2019. This decrease was primarily due to a Ps. 1,420.8 million, or 68.9% decrease in our purchases of gas for sale due to lower potential margins as a consequence of lower gas prices in the context of decreased demand for gas.

Production costs decreased by Ps. 690.0 million, or 7.7% mainly due to the decrease in costs related to royalties, fees and easements due to lower prices of oil and gas in the period. This decrease was partially offset by an increase in depreciation of property, plant and equipment due to increased gas production while the depreciation of leasehold interests increased due to the recognition of new IFRS 16 leases during 2020.

Gross Profit

Gross profit decreased by Ps. 2,923.4 million during the six months ended June 30, 2020, or 42.6%, from Ps. 3,937.0 million during the six months ended June 30, 2020 to Ps. 6,860.4 million in the six months ended June 30, 2019. Gross profit margin was 31.8% in the six months ended June 30, 2020 and 39.5% during the six months ended June 30, 2019. Gross profit and gross profit margin were lower in the six months ended June 30, 2020 compared to the same period in 2019 as a result of the factors described above.

Selling and Administrative Expenses

Selling and administrative expenses decreased by Ps. 354.2 million, or 24.3%, during the six months ended June 30, 2020 compared to the six months ended June 30, 2019. The decrease in selling and administrative expenses was primarily due to a decrease of Ps. 315.7 million, or 50.5%, in costs associated with turnover tax, an indirect provincial tax imposed on our gross revenues and export duties. For more information on our selling and administrative expenses, see Notes 20 and 21 to our Half-Year Unaudited Condensed Financial Statements.

Exploration Expenses

Exploration expenses were Ps. 4.8 million in the six months ended June 30, 2020, a Ps. 2.8 million or 140.0% increase compared to June 30, 2019, related to development drilling costs involving servicing of dry wells. See Note 22 to our Half-Year Unaudited Condensed Financial Statements.

Other Operating Income (Expenses)

Our other operating expenses were Ps. 2,718.4 million during the six months ended June 30, 2020, a 3,260.2% increase compared to other operating expenses of Ps. 80.9 million for the six months ended June 30, 2019. This increase in operating expenses was primarily due to a non-financial asset impairment loss of Ps. 2,300.0 million due to the assessment of value in use of property, plant and equipment affecting the cash generating units of Dos Hermanos, Campo Boleadoras, La Maggie, María Inés and Cóndor. This impairment, recognized in the financial statements for the first quarter of 2020, is due to the decline in activity and prices in the oil and gas industry and the macroeconomic instability in Argentina which led to the reevaluation of the recoverable amount of each of these cash generating units, as more fully described in note in the findings of the impairment assessment, including the principal assumptions and variable considered, are included in note 7 to our Half-Year Unaudited Condensed Financial Statements.

Operating Income (Loss)

Operating income decreased by Ps. 5,209.4 million, or 97.9%, in the six months ended June 30, 2020, from an operating income of Ps. 5,320.7 million in the six months ended June 30, 2019 to an operating income of Ps. 111.3 million during the six months ended June 30, 2020. Operating income margin was 0.9% during the six months ended June 30, 2020 and 30.6% for the six months ended June 30, 2019 as a result of the factors described above.

Results of investments in associates

Results of investments in associates increased by Ps. 114.2 million, or 13.5%, in the six months ended June 30, 2020 compared to the six months ended June 30, 2019. The increase in the results of investments in associates was primarily due to an increase of Ps. 155.2 million, or 34.1%, in income generated from Gasinvest S.A., partially offset by a decrease of Ps. 53.4, or 19.0%, in income generated from Gasoducto Gasandes (Argentina) S.A. as well as our increased participations in TGN, TGM and Gasinvest as a result of the settlement agreement reached with RPM Gas S.A. in October 2019. For more information on the results of our investments in associates, see Note 8.c) to our Half-Year Unaudited Condensed Financial Statements.

Financial Income, Financial Costs and Other Financial Results

Net financial loss for the six months ended June 30, 2020 was Ps. 3,363.5 million, Ps. 3,106.2 million, or 1,207.2%, higher than the net financial loss of Ps. 257.3 million for the six months ended June 30, 2019. This was mainly due to an increase of Ps. 2,630.3 million or 157.0% in exchange rate loss resulting from the devaluation of the Argentine peso against the U.S. dollar (17.6% devaluation for the six months ended June 2020 and 12.6% devaluation for the six months ended June 2019), in addition to an increase of Ps. 274.9 million or 48.7% of the loss for the hyperinflation effect due to an increase in the monetary assets in 2020, and of Ps. 264.4 million or 19.9% due to increase in interest costs. For more information on our financial income and costs, see note 24 to our Half-Year Unaudited Condensed Financial Statements.

Income Tax

Our loss before taxes for the six month period ended June 30, 2020 was Ps. 2,292.6 million which resulted in Ps. 813.0 million in income tax gain for the six month period ended June 30, 2020, compared to an income before taxes of Ps. 5,908.9 million which resulted in Ps. 1,323.1 million income tax loss for the six month period ended June 30, 2019.

Profit (loss) for the Period

For the six months ended June 30, 2020, we experienced a loss of Ps. 1,479.5 million compared to a profit of Ps. 4,585.8 million for the six months ended June 30, 2019. This loss is primarily resulting from lower prices of oil and gas which reduced our gross profit margin, the loss of Ps. 2,300.0 million related to the impairment of property plant and equipment recorded in other operating income and an increase in the net financial loss due to an increase in exchange rate losses resulting from the devaluation of the Argentine peso against the U.S. dollar.

Liquidity and Capital Resources

Cash Flows

The table below reflects our cash position at the dates indicated and the net cash provided by (used in) operating, investing and financing activities during the periods indicated:

	Years ended December 31 (audited)		Six months ended June 30 (unaudited)	
	2019	**2018**	**2020**	**2019**
	(Ps. in millions, as adjusted for inflation as of December 31, 2019)		(Ps. in millions, as adjusted for inflation as of June 30, 2020)	
Cash and cash equivalents at the beginning of the period......	1,589.6	523.6	4,219.6	1,805.7
Net cash provided by operating activities	17,247.0	8,671.6	4,285.6	11,026.4
Net cash (used in) investing activities...................................	(9,711.7)	(8,618.4)	(916.7)	(6,368.8)
Net cash provided by (used in) financing activities	(4,621.8)	273.5	(454.1)	(1,117.2)
Financial results from cash and cash equivalents..................	(788.4)	739.3	(161.3)	(728.4)
Cash and cash equivalents at the end of the period	3,714.7	1,589.6	6,973.1	4,617.6

Net cash flow provided by operating activities

Net cash flow provided by operating activities was Ps. 4,285.6 million for the six months ended June 30, 2020, a 61.1% decrease as compared to net cash flow provided by operating activities of Ps. 11,026.4 million for the six months ended June 30, 2019. This decrease was primarily due to a reduction of Adjusted EBITDA as per dividends collected in 2020 as well as an increase in working capital due to pending collections from gas incentive programs as of June 30, 2020.

Net cash flow (used in) investing activities

Net cash flow used in investing activities was Ps. 916.7 million for the six months ended June 30, 2020, a 85.6% decrease as compared to net cash flow used in investing activities of Ps. 6,368.8 million in the six months ended June 30, 2019. This reduction was primarily due to lower investments in property, plant and equipment as the investment and drilling program was affected by the restrictions imposed as a result of the COVID-19 pandemic and local price declines.

Net cash flow provided by (used in) financing activities

Net cash flow used in financing activities was Ps. 454.1 million for the six months ended June 30, 2020, a decrease compared to net cash flow used in financing activities of Ps. 1,117.2 million for the six months ended June 30, 2019. This decrease was primarily due to an increase of indebtedness of Ps. 1,535.5 million for the six months ended June 30, 2020 from issuance of local bonds as part of our frequent issuer program, compared with an indebtedness increase of Ps. 573.0 million in the six months period ended June 30, 2019.

Indebtedness

As of June 30, 2020, our total indebtedness was Ps. 32,405.9 million (US$ 459.9 million).

The following table shows a breakdown of our indebtedness as of June 30, 2020.

	Outstanding as of June 30, 2020[1]	Interest Rate	Currency	Incurrence date	Maturity date
	(Ps. in millions)	(%)			
Bank Loans					
Syndicated Loan	4,248.5	9.50%	U.S. Dollar	May 23, 2019	May 21, 2021
Macro Loan	65.8	6.00%	U.S. Dollar	May 29, 2020	September 26, 2020
Macro Loan	205.5	Badlar+12.00%	Ar. Peso	May 6, 2020	November 6, 2020
Supervielle Loan	499.7	32.50%	Ar. Peso	May 6, 2020	August 3, 2020
Macro Loan	469.9	Badlar+5.25%	Ar. Peso	May 21, 2020	November 21, 2020
Subtotal	**5,489.3**				
Debt Securities					
2021 Senior Notes	21,414.7	9.50%	U.S. Dollar	November 7, 2016	November 7, 2021
Obligaciones negociables Series 10 Notes	1,695.4	9.70%	U.S. Dollar	January 12, 2018	July 12, 2021
Obligaciones negociables Series 12 Notes	1,078.6	9.00%	U.S. Dollar	March 5, 2020	June 5, 2021
Obligaciones negociables Series 13 Notes	1,011.0	8.50%	U.S. Dollar	March 5, 2020	June 5, 2021
Obligaciones negociables Series 14 Notes	319.1	Badlar+5.00%	Ar. Peso	March 5, 2020	March 5, 2021
Obligaciones negociables Series 15 Notes	1,397.8	5.00%	U.S. Dollar	May 26, 2020	August 26, 2021
Subtotal	**26,916.6**				
Total	**32,405.9**				

(1) Amounts net of amortizable expenses.

The following is the maturity profile of the principal amount of our debt outstanding as of June 30, 2020 (without taking into account subsequent debt incurrences and repayments as of this offering):

	Total	Less than 1 Year	From 1 to 2 Years
		(US$ in million)	
Bank Loans	77.9	77.9	-
Debt Securities	382.0	58.5	323.5
Total Indebtedness	**459.9**	**136.4**	**323.5**

Capital Expenditures

In the six months ended June 30, 2020, we made total capital expenditures (which are characterized as increases in acquisition of property, plant and equipment in our Financial Statements) of Ps. 1,635.4 million, compared to Ps. 6,171.1 million in the six months ended June 30, 2019. During the six months ended June 30, 2020, our drilling plans were impacted by the COVID 19 pandemic. Due to the mandatory lockdown measures established by the Argentine government, drilling activities were temporarily suspended throughout the entire industry during the first stage of the isolation measures, therefore, we had to pause our drilling activities but continued the production from our active wells. On June 24, 2020, we were authorized by the Argentine government to resume our drilling activity, however, we cannot assure you that further possible restrictions from the government driven by a tightening of health measures or otherwise will prevent us from continuing with our drilling plan during 2020. See “Risk Factors¬—The COVID 19 pandemic has and may continue to adversely affect the Argentine economy and, as a result, our financial condition and results of operations.”

We have historically funded our capital expenditures with proceeds from debt financings, and through cash generated from our operations. The following table sets forth our capital expenditures related to property, plant and equipment for the fiscal years ended December 31, 2019 and 2018 and for the six months ended June 30, 2020.

	Year ended December 31, (audited)		Six months ended June 30 (unaudited)
	2019	**2018**	**2020**
	(Ps. in millions, as adjusted for inflation as of December 31, 2019)		(Ps. in millions, as adjusted for inflation as of June 30, 2020)
Development and production assets (1)	**9,018.8**	**8,105.2**	**1,291.2**
Exploration and evaluation assets	**1,814.0**	**973.7**	**306.0**
Other production-related assets	**132.3**	**36.0**	**38.3**
Total	**10,965.1**	**9,114.9**	**1,635.4**

(1) Includes wells and production facilities, work in progress and mining property

Market Risk Analysis

We are exposed to market risks principally with respect to interest rate and exchange rate fluctuations and commodity prices, which could adversely affect the value of our financial assets and liabilities or our earnings. See Note 3 to our Half-Year Unaudited Condensed Financial Statements for the six months ended June 30, 2020.

Interest Rate Risk

As of June 30, 2020, we had Ps. 994.4 million of variable interest rate debt, consisting of our Series 14 Notes issued under our frequent issuer program which have a floating interest rate equal to the Badlar rate plus 500 basis points and two short-term loans with Banco Macro S.A., one with a variable interest rate equal to the Badlar rate plus 1200 basis points and the other one with a variable interest rate equal to the Badlar rate plus 525 basis points. As of the date of this Supplement No. 1, we do not hedge against interest rate risk.

Foreign Currency Risk

The Company's exposure to currencies other than US$ is not significant. Significant depreciations of the Argentine peso, the Company's legal tender and functional currency, against the U.S. dollar, the currency to which the Company is most exposed, can adversely affect the Company's financial results. As of June 30, 2020, we had Ps. 30,912 million (US$ 459.8 million) in debt linked to U.S. dollars. The potential loss to us that would result from the effect of a hypothetical 10% change in foreign currency exchange rates on our foreign currency assets and liabilities, would be approximately Ps. 2,301.7 million, not taking into account the effects of this Exchange Offer. We do not currently hedge against foreign currency risk.

Commodities Price Risk

For the six months ended June 30, 2020, the results from our oil and gas business constituted substantially all of our revenue.

As of June 30, 2020, we had no futures or financial derivatives contracts for commodity prices.

Off-Balance Sheet Arrangements

As of June 30, 2020, we did not have any off-balance sheet arrangements that were not included in our Financial Statements.

INDEX TO FINANCIAL STATEMENTS

Half-Year Unaudited Condensed Financial Statements as of June 30, 2020, and for each of the three-month periods ended June 30, 2020 and 2019

Compañía General de Combustibles S.A.
Overview as of June 30, 2020

(Information not covered by the review report on the condensed interim financial statements).

This Overview, which has been prepared in compliance with the provisions of the rules in force of the *Comisión Nacional de Valores* (Securities Commission) (Periodic Reporting Regime – Title IV – Chapter III – Section 4), supplements the Company's condensed interim financial statements for the quarter started on January 1, 2020 and ended on June 30, 2020. All references to $ or US$ are references to thousands of pesos or thousands to U.S. dollars, unless otherwise specified.

a) Brief discussion on the Company's activities during the second quarter ended June 30, 2020, including references to relevant events occurring after the end of the period

The **adjusted EBITDA** for the second quarter ended June 30, 2020 amounted to $ 3,815,766 ($ 7,690,647 for the six-month period), which represents a decrease of $ 2,120,034 in respect of the second quarter of 2019. This decrease was mainly generated by a fall in the selling prices of Oil and Gas for the second quarter ended June 30, 2020. This decrease was partially offset by the increase in incentive accrual.

The **production of oil, natural gas, liquefied petroleum gas and gasoline** during the second quarter of 2020 was of 538.0 Mm3 equivalent, with an increase of 28.8 Mm3 (5%) with respect to the quantities produced during the same period of the preceding year.

Liquid hydrocarbons represented 14% and 17% and natural gas 86% and 83% of the total production as of June 30, 2020 and 2019, respectively.

The Company has an important presence in the main gas pipeline system, through its interests in the companies Transportadora de Gas del Norte S.A. (28.23%), Gasoducto Gasandes (Argentina) S.A. (40.0%), Gasoducto Gasandes S.A.(Chile) (40.0%) and Transportadora de Gas del Mercosur S.A. (15.8%).

The **volume of gas transported** by these companies during the second quarter of 2020 reached 6,334 million cubic meters, a 8% decrease compared to the same period of 2019.

Evolution of the Company's indicators	2nd Q 2020 (3 months)	2nd Q 2019 (3 months)	2nd Q 2018 (3 months)
Adjusted EBITDA (thousands of pesos)	3,815,766	5,935,801	3,644,705
Oil production (m3/day) (1) (2)	824.85	1,034.84	855.57
Gas production (Mm3/day) (2)	5,087.75	5,194.27	4,247.95
Gas transported (MMm^3)	6,334	6,928	6,413
Oil and gas equivalent production (Mm3) (2)	538.0	566.8	464.4

(1) Includes liquefied petroleum gas and gasoline
(2) Argentine areas only
Mm3=Thousands of cubic meters
MMm3=Million cubic meters

Compañía General de Combustibles S.A.
Overview as of June 30, 2020

Relevant events in the second quarter ended on June 30 2020

Dividends received from associated companies and joint ventures

In the quarter ended June 30, 2020, midstream companies have paid to CGC dividends for $ 705,116 ($ 237,251 corresponding to dividends declared by the associates and joint ventures in 2019 and $467.865 corresponding to dividends declared by the associates and joint ventures in 2020)

Financing

Exchange offer and consent request Class “A” Notes

On August 6, 2020, the Company launched the exchange offer of its Class “A” Notes at a fixed rate of 9.5% per year with maturity in 2021, for Notes Class 17, redeemable at a fixed rate of 9.5% per year with maturity in 2025. In turn, the holders of the existing Notes will be asked for their consent to modify some commitments and non-compliance assumptions pursuant to the contract for the issuance of the Existing Notes. Pursuant to the provisions of the Exchange Offer Document, eligible holders who validly present their existing Notes before the date of early participation will receive, for each US$ 1,000.00 of nominal value, a Note of US$ 950,00 and an early cash payment of US$ 100.00. Eligible holders who submit their existing Notes after the early participation date, but on or before the Expiration Date, will receive for each US$ 1,000.00 of nominal value, a Note of US$ 950.00 and a cash pyment of US$ 50.00. The interest will be payable semi-annually in arrears on the dates indicated in the Results Notice.

Payment of the amortization installment of principal of Class 10 Notes

On April 13, 2020, the Company paid the first installment of principal corresponding to Class 10 Notes, in line with the amendment to the Terms and Conditions made by means of the Request for Consent, launched on September 12, 2019 and accepted by 100% of the holders. The amortized principal and accrued interest amounted to US$ 5,000 and US$ 235, respectively. In addition, at July 13, 2020 the Company paid the second installment of principal amounted to US$ 5,000 and interest US$ 571. At present, there are Class 10 Notes outstanding for an amount of US$ 18,626.

Class 15 Notes

On May 26, 2020, the Company issued the Class 15 Notes, denominated in United States dollars and payable in pesos, for a total amount of US$ 19,891. Class 15 ON accrue interest at a fixed rate of 5.0% nominal annual and payable quarterly and the principal will be paid at maturity. The ON have an expiration date of August 26, 2021. The funds obtained are mainly destined to the refinancing of liabilities and also investments in hydrocarbon exploration and exploitation in the province of Santa Cruz (Austral Basin), the integration of working capital, the acquisition of goodwill located in the country and the integration of capital contributions in subsidiaries or associated companies.

Payment of the first installment of the Syndicated Loan

On May 21, 2020, the Company made the payment of the first installment of capital corresponding to the Syndicated Loan signed on May 22, 2019, with Citibank N.A. as an administrative agent, the branch of Citibank N.A. established in the Argentine Republic as organizer, Argentine disbursement agent and lender, Bando de Galicia S.A.U, Industrial and Commercial Bank of China (Argentina) S.A. and Banco Santander Río S.A. as organizers and lenders, for the sum of US$ 75,000.
The amortized capital and the payment of accrued interest corresponding to the quarterly period amounted to US$ 15,000 and US $ 1,781, respectively.

Short-term financing in pesos with several banks

During the first six months of 2020, the Company entered into several short-term loan agreements in pesos and current account agreements with several banks, for a total amount of approximately AR$ 1,670 million and for terms ranging from 90 to 180 days, in order to finance working capital and preserve liquidity in a context of high volatility.

Partial cancellation of Export Financing with Banco Macro S.A.

On May 29, 2020, the Company partially canceled the Export Financing signed with Banco Macro S.A. on January 29, 2020.
The amortized principal and the corresponding accrued interest payment amounted to US$ 9,072 and US$ 179, respectively. The remaining amount of US $ 928 was refinanced for a term of 120 days, accruing a fixed annual rate of 6.00%. The expiration date of the new financing is September 26, 2020.

b) Condensed equity structure as of June 30, 2020, 2019 and 2018

(Expressed in thousands of pesos)

	06.30.2020	06.30.2019	06.30.2018
Non-current assets	40,494,235	42,515,710	26,747,104
Current assets	20,052,360	20,780,643	10,346,245
Total assets	**60,546,595**	**63,296,353**	**37,093,349**
Equity attributable to owners	20,063,111	21,561,977	9,524,680
Total shareholders' equity	**20,063,111**	**21,561,977**	**9,524,680**
Non-current liabilities	28,182,729	31,222,256	21,054,117
Current liabilities	12,300,755	10,512,120	6,514,552
Total liabilities	**40,483,484**	**41,734,376**	**27,568,669**
Total liabilities and shareholders' equity	**60,546,595**	**63,296,353**	**37,093,349**

c) Condensed result structure for the six-month periods ended June 30 2020, 2019, and 2018

(Expressed in thousands of pesos)

	06.30.2020	06.30.2019	06.30.2018
Revenue	12,373,408	17,382,782	12,327,441
Cost of revenues	(8,436,394)	(10,522,403)	(8,299,040)
Gross income	**3,937,014**	**6,860,379**	**4,028,401**
Selling expenses	(509,772)	(710,892)	(257,949)
Administrative expenses	(592,728)	(745,817)	(676,561)
Exploration expenses	(4,811)	(1,997)	-
Other operating income and (expenses)	(2,718,397)	(80,933)	(429,798)
Operating result	**111,306**	**5,320,740**	**2,664,093**
Result of investments in associates and joint ventures	959,612	845,433	752,945
Financial results, net	(3,363,487)	(257,306)	(6,193,894)
Result before taxes	**(2,292,569)**	**5,908,867**	**(2,776,856)**
Income tax	813,045	(1,323,057)	754,259
Net result	**(1,479,524)**	**4,585,810**	**(2,022,597)**
Other comprehensive results	(289,651)	**30,208**	**154,132**
Comprehensive results	**(1,769,175)**	**4,616,018**	**(1,868,465)**

The lower gross income registered in the quarter ended June 30, 2020 was mainly due to the decline in oil and gas selling prices. In addition, there was a loss in the item other income and expenses mainly generated by the non-financial assets impairment loss of $ 2,299,981 due to the assessment of value in use of property, plant and equipment in the period ended June 30, 2020. (See note 7)

The financial cost have an increase for the exchange rate devaluation of the period 2020 (18%) over the period 2019 (13%)

d) Condensed cash flow structure for the six-month periods ended June 30 2020, 2019, and 2018

(Expressed in thousands of pesos)

	06.30.2020	06.30.2019	06.30.2018
Net cash generated by operating activities	4,285,568	11,026,368	2,806,571
Net cash used for investment activities	(916,669)	(6,368,751)	(3,961,731)
Net cash (used for) generated by financing activities	(454,085)	(1,117,248)	3,072,826
Net increase in cash, cash equivalents and bank overdraft	**2,914,814**	**3,540,369**	**1,917,666**
Cash and cash equivalents at the beginning of the year	4,219,592	1,805,666	598,465
Financial results generated by cash	(161,270)	(728,393)	986,561
Cash and cash equivalents at the end of the period	**6,973,136**	**4,617,642**	**3,502,692**

e) Statistical data for the quarters ended June 30, 2020, 2019 and 2018

See data on crude oil and gas production and gas transportation for the quarters ended June 30, 2020, 2019 and 2018, in paragraph 1 of this Overview.

f) Ratios for the six-month periods ended June 30 2020, 2019 and 2018

		06.30.2020	06.30.2019	06.30.2018
Liquidity	(a)	1.63	1.98	1.59
Solvency	(b)	0.50	0.52	0.35
Capital lockup	(c)	0.67	0.67	0.72

(a) Current assets / Current liabilities
(b) Shareholders’ equity / Total liabilities
(c) Non-current assets / Total assets

The profitability index is only included in the annual financial statements.

g) Prospects

As mentioned in the Annual Report as of December 31, 2019, in August 2019 the Argentine government issued a series of economic measures that discouraged production and caused activities to be temporarily reduced and the redefinition of investment projects for the coming year, which uncertainty prevails today due to the lack of certainty regarding key variables affecting the industry.

The current Argentine scenario is highly uncertain due to the recent macroeconomic instability and the sanitary emergency condition derived from the propagation of COVID-19. According to the recommendations published by the World Health Organization for all countries affected by the COVID-19 pandemic, the Argentine National Government issued Emergency Decree (“DNU”) No. 297/2020 setting forth the “preventive and mandatory social distancing” to protect public health.

While the Company’s activity is one of the activities exempted by social distancing measures (subject to the strict performance of its hydrocarbon exploration and exploitation activities), with the support of Santa Cruz’s provincial authorities and the unions, the production has not been affected up to this date. The Company has taken measures to ensure the safety of its teams and has implemented contingency plans to, where possible, maintain production levels by rotating teams. On the other hand, the Company has quickly implemented a remote work scheme for all positions and functions not requiring on site physical presence, and senior management and managers are working in a coordinated way, daily monitoring the current situation and adopting the necessary measures to protect its employees and have a safe interaction with customers, suppliers and the community where its operations are carried out.

During the second quarter of 2020, CGC was able to maintain production and its operation in Austral Basin in a highly complex environment, considering the impact of COVID-19 in the argentine economy and the context of low oil and gas demand and prices. CGC´s Sales and EBITDA were in line with the results obtained during the first quarter of 2020, and at the end of June, the company resumed its drilling activity in Campo Indio, becoming one of the first four companies to resume activity in the country after the mandatory lockdown driven by sanitary measures.

Regarding financing, through the Exchange offer and consent request Class “A” Notes informed in this overview and in the note 26 to the financial statement, the company has taken the initiative to readjust its capital structure, in line with the long-term financial strategy and investment objectives.

City of Buenos Aires, August 11th 2020

Compañía General de Combustibles S.A.

Condensed interim financial statements

Legal information

Legal address: Bonpland 1,745. Autonomous City of Buenos Aires. República Argentina
Fiscal year:101
Condensed interim financial statements as of June 30, 2020

Company´s main line of business:	Exploration and exploitation of hydrocarbons and byproducts
Public Registry of Commerce registration date:	October 15, 1920
Latest four amendments to bylaws:	April 18, 2007, September 12, 2007, December 19, 2013, and April 17, 2015
Superintendence of Corporations registration number:	1648
Incorporation agreement termination date:	September 1, 2100
Parent company´s name:	Latin Exploration S.L.U. **(1)**
Parent company´s main line of business:	Investing and financing activities
Equity interest held by the parent company in capital stock and votes:	70.00% (1)

(1) Capital status

Ordinary shares with par value of 1.00 per share	**Subscribed, issued, and paid** (In pesos)
Class A shares entitled to 1 vote	279,396,499
Class B shares entitled to 1 vote	119,741,357
Total	**399,137,856**

(1) Note 14 to the condensed interim financial statements

Compañía General de Combustibles S.A.

Condensed interim financial statements

Condensed interim statement of financial position ended June 30, 2020 and December 31, 2019

(In thousands of pesos)

	Note	30.06.2020	12.31.2019
ASSETS			
Non-current assets			
Property, plant and equipment	7	23,146,151	27,311,311
Investments in associates and joint ventures	8.a)	15,867,928	15,665,825
Investments at amortised cost	12.a)	-	702,768
Right-of-use assets		782,873	1,183,495
Other receivables	9	428,825	445,352
Trade receivables	11	268,458	322,889
Total non-current assets		**40,494,235**	**45,631,640**
Current assets			
Inventories	10	1,344,619	1,243,063
Other receivables	9	5,549,350	4,372,047
Trade receivables	11	3,250,627	5,372,790
Investments at amortised cost	12.a)	1,575,381	1,520,452
Investments at fair value through profit or loss	12.b)	389,610	344,327
Cash and cash equivalents	13	7,942,773	4,787,493
Total current assets		**20,052,360**	**17,640,172**
TOTAL ASSETS		**60,546,595**	**63,271,812**
EQUITY			
Share capital	14	399,138	399,138
Capital adjustment		2,457,085	2,457,085
Reserves		6,917,195	6,917,195
Retained earnings		4,895,491	6,072,598
Other comprehensive income		5,394,202	5,986,270
TOTAL EQUITY		**20,063,111**	**21,832,286**
LIABILITIES			
Non-current liabilities			
Provision for legal claims and other proceedings		144,622	108,474
Other provisions	15	3,055,959	2,919,797
Deferred tax liabilities		1,863,124	2,760,155
Tax payables		2,178	11,004
Lease liabilities		330,609	518,787
Financial debts	16	22,786,237	24,384,020
Total non-current liabilities		**28,182,729**	**30,702,237**
Current liabilities			
Other provisions	15	1,343	1,596
Other liabilities		100,019	174,781
Tax payables		217,178	147,975
Salaries and social security contributions		230,543	324,898
Lease liabilities		608,732	713,758
Financial debts	16	9,619,648	5,100,302
Trade payables	17	1,523,292	4,273,979
Total current liabilities		**12,300,755**	**10,737,289**
TOTAL LIABILITIES		**40,483,484**	**41,439,526**
TOTAL EQUITY AND LIABILITIES		**60,546,595**	**63,271,812**

The accompanying notes 1 to 26 are an integral part of these condensed interim financial statements.

Condensed interim financial statements

Condensed interim statement of comprehensive income for the three-month and six-month periods ended June 30, 2020 with comparative with same periods of 2019

(In thousands of pesos)

Compañía General de Combustibles S.A.

		Three-month period		Six-month period	
	Note	**06.30.2020**	**06.30.2019**	**06.30.2020**	**06.30.2019**
Revenue	18	5,821,467	9,144,693	12,373,408	17,382,782
Cost of revenue	19	(3,784,307)	(5,304,547)	(8,436,394)	(10,522,403)
Gross profit		**2,037,160**	**3,840,146**	**3,937,014**	**6,860,379**
Selling expenses	20	(198,588)	(446,516)	(509,772)	(710,892)
Administrative expenses	21	(252,406)	(425,108)	(592,728)	(745,817)
Exploration expenses	22	(1,475)	107	(4,811)	(1,997)
Other operating income (expenses), net	23	(387,791)	(53,466)	(2,718,397)	(80,933)
Operating (loss) income		**1,196,900**	**2,915,163**	**111,306**	**5,320,740**
Results of investments in associates and joint ventures	8.c)	514,330	378,869	959,612	845,433
Financial income	24	6,595	31,991	26,154	38,498
Financial costs	24	(879,913)	(678,001)	(1,595,076)	(1,330,722)
Hyperinflation effect	24	(403,249)	(290,864)	(839,010)	(564,124)
Other financial results	24	(487,671)	2,618,319	(955,555)	1,599,042
(Loss) income before taxes		**(53,008)**	**4,975,477**	**(2,292,569)**	**5,908,867**
Income tax		141,834	(1,162,379)	813,045	(1,323,057)
(Loss) profit for the period		**88,826**	**3,813,098**	**(1,479,524)**	**4,585,810**
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to profit or loss					
Asset revaluation reserve		(337,215)	6,954	(337,215)	52,988
Items that may be reclassified to profit or loss					
Financial hedging instruments		-	61,273	-	61,273
Financial statement translation difference		70,455	(119,129)	47,564	(84,053)
Other comprehensive (loss) income for the period, net of tax		**(266,760)**	**(50,902)**	**(289,651)**	**30,208**
Total comprehensive (loss) income for the period		**(177,934)**	**3,762,196**	**(1,769,175)**	**4,616,018**
Basic and diluted earnings (loss) per share	14	**0.223**	**9.553**	**(3.707)**	**11.489**

The accompanying notes 1 to 26 are an integral part of these condensed interim financial statements.

Condensed interim statement of changes in equity for the three-month period ended June 30, 2020

(In thousands of pesos)

	Share capital (Note 14)	Capital adjustment	Legal reserve	Optional reserves (1)	Other comprehensive income		Retained earnings	Total
					Asset revaluation reserve	Currency translation difference		
Balance as of December 31, 2019	**399,138**	**2,457,085**	**571,245**	**6,345,950**	**4,768,484**	**1,217,786**	**6,072,598**	**21,832,286**
Net loss for the period	-	-	-	-	-	-	(1,479,524)	(1,479,524)
Reversal of asset revaluation reserve	-	-	-	-	(302,417)	-	302,417	-
Other comprehensive income for the period	-	-	-	-	(337,215)	47,564	-	(289,651)
Balance as of June 30, 2020	**399,138**	**2,457,085**	**571,245**	**6,345,950**	**4,128,852**	**1,265,350**	**4,895,491**	**20,063,111**

(1) For maintenance of working capital and future dividends.

The accompanying notes 1 to 26 are an integral part of these condensed interim financial statements.

Condensed interim financial statements

Condensed interim statement of changes in equity for the three-month period ended March 31, 2019

(In thousands of pesos)

						Other comprehensive income				
	Share capital (Note 14)	Capital adjustment	Legal reserve	Optional reserves (1)	Other	Asset revaluation reserve	Financial hedging instruments	Currency translation difference	Retained earnings	Total
Balance as of December 31, 2018	**399,138**	**2,457,085**	**56,315**	**1,166,261**	**(555,517)**	**6,058,434**	**-**	**1,114,107**	**6,521,216**	**17,217,039**
Resolution from Shareholders meeting of April 10, 2019	-	-	514,930	5,179,689	555,517	-	-	-	(6,521,216)	(271,080)
Net loss for the period	-	-	-	-	-	-	-	-	4,585,810	4,585,810
Reversal of asset revaluation reserve	-	-	-	-	-	(427,601)	-		427,601	-
Other comprehensive income for the period	-	-	-	-	-	52,988	61,273	(84,053)	-	30,208
Balance as of June 30, 2019	**399,138**	**2,457,085**	**571,245**	**6,345,950**	**-**	**5,683,821**	**61,273**	**1,030,054**	**5,013,411**	**21,561,977**

(1) For maintenance of working capital and future dividends.

The accompanying notes 1 to 26 are an integral part of these condensed interim financial statements.

Compañía General de Combustibles S.A.

Condensed interim financial statements

Condensed interim statement of cash flows for the three-month period ended June 30, 2020, with comparative interim period ended March 31, 2019

(In thousands of pesos)

	Note	30.06.2020	30.06.2019
Cash flow from operating activities			
Net (loss)/income for the period		(1,479,524)	4,585,810
Adjustments to arrive at net cash flows from operating activities			
Depreciation of property, plant and equipment	7	3,985,166	3,696,983
Write off of property, plant and equipment		-	18,001
Depreciation of right-of-use assets		400,622	298,190
Result of investments in associates and joint ventures	8	(959,612)	(845,433)
Financial results, net		2,390,922	(496,421)
Non-financial asset impairment loss	23	2,299,981	-
Increase in allowances for receivables, net	23	116,391	42,615
Increase in provision for legal claims and other proceedings	23	49,128	21,559
Gas imbalance charges	19 (1)	(2,047)	(4,782)
Income accrued for incentives, net of collections		(2,150,398)	(1,090,830)
Hyperinflation effect		839,010	564,124
Accrued income tax		(813,045)	1,323,057
Loss on the assignment of oil production áreas		-	112,959
Changes in operating assets and liabilities:			
Receivables		2,250,793	277,289
Inventory		(101,556)	317,159
Non-financial debts		(2,476,887)	2,344,086
Income tax paid		(63,376)	(137,998)
Net cash flow from operating activities		**4,285,568**	**11,026,368**
Net cash flow used in investing activities			
Acquisition of property. plant and equipment	7	(1,635,447)	(6,171,144)
Change in investments	8 b)	-	(203)
Variance of placements of funds - current		13,662	(1,318,584)
Dividends collected	8 b)	705,116	1,121,180
Net cash flow used in investing activities		**(916,669)**	**(6,368,751)**
Net cash flow used in financing activities			
Payment of leases		(381,273)	(329,603)
Interest paid on financial debts	16	(1,608,300)	(1,360,618)
Financial debts incurred	16	5,129,270	6,555,130
Financial debts settled	16	(3,593,782)	(5,982,157)
Net cash flow used in financing activities		**(454,085)**	**(1,117,248)**
Net increase in cash and cash equivalents		2,914,814	3,540,369
Cash, cash equivalents at the beginning of the year	13	**4,219,592**	**1,805,666**
Financial results from cash and cash equivalents		(161,270)	(728,393)
Cash, cash equivalents at the end of the period	13	**6,973,136**	**4,617,642**

Changes without funds movement

Payments of property, plant and equipment in the interim period	-	(190,270)
Capitalization of financial costs	92,676	138,083
Wells abandonment costs capitalized in property, plant and equipment	391,864	375,082

The accompanying notes 1 to 26 are an integral part of these condensed interim financial statements

(In thousands of pesos, except as otherwise expressly indicated)

Note 1. General information

1.1 – The Company

Compañía General de Combustibles S.A. (hereinafter, "CGC" or "the Company") is a corporation ("*sociedad anónima*") organized under the laws of the Republic of Argentina, registered with the Public Registry of Commerce on October 15, 1920. The expiration date set forth in the Articles of Incorporation is September 1, 2100 and its registered office is located at Bonpland 1745, City of Buenos Aires, Argentina. CGC's business activities are focused on the energy sector, in particular oil and gas exploration and production (upstream) and gas transportation. Upstream activities are performed individually and also through joint ventures, and gas transportation activities are performed through associated companies. The Company is controlled by Latin Exploration S.L.U. ("LE"), a Spanish company.

The Oil and Gas exploration and exploitation areas where the Company has an interest as of June 30, 2020 and December 31, 2019 are as follows:

<table>
<tr><th>Country / Basin</th><th>Area</th><th>% of Interest</th><th>Operator</th><th>Through</th><th>Activity</th></tr>
<tr><td>Argentina</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Northwestern</td><td>Aguaragüe</td><td>5.00</td><td>Tecpetrol</td><td>2027</td><td rowspan="8">Exploration and exploitation</td></tr>
<tr><td>Austral</td><td>El Cerrito</td><td>100.00</td><td>CGC</td><td>2033-2037-2053</td></tr>
<tr><td></td><td>Dos Hermanos</td><td>100.00</td><td>CGC</td><td>2027-2034-2037</td></tr>
<tr><td></td><td>Campo Boleadoras</td><td>100.00</td><td>CGC</td><td>2027-2033-2034</td></tr>
<tr><td></td><td>Campo Indio Este / El Cerrito</td><td>100.00</td><td>CGC</td><td>2028-2053</td></tr>
<tr><td></td><td>María Inés</td><td>100.00</td><td>CGC</td><td>2027-2028</td></tr>
<tr><td></td><td>Cóndor</td><td>100.00</td><td>CGC</td><td>2027</td></tr>
<tr><td></td><td>La Maggie</td><td>100.00</td><td>CGC</td><td>2026-2027</td></tr>
<tr><td></td><td>Glencross</td><td>87.00</td><td>CGC</td><td>2033</td><td rowspan="2">Exploitation</td></tr>
<tr><td></td><td>Estancia Chiripa</td><td>87.00</td><td>CGC</td><td>2033</td></tr>
<tr><td></td><td>Tapi Aike</td><td>81.00</td><td>CGC</td><td></td><td rowspan="4">Exploration</td></tr>
<tr><td></td><td>Piedrabuena</td><td>100.00</td><td>CGC</td><td></td></tr>
<tr><td></td><td>Paso Fuhr</td><td>50.00</td><td>CGC</td><td></td></tr>
<tr><td>Venezuela</td><td>Campo Onado</td><td>26.004</td><td>Petronado</td><td>2026</td></tr>
</table>

(1) On July 16, 2020, we entered into an agreement with Echo Energy Plc. ("Echo Energy"), by virtue of which Echo Energy will transfer and assign to the Company its 19% interest in the permit over the Tapí Aike área, effective as from April 1, 2020. As a result, we own 100% interest in Tapí Aike área.

There have not been any significant changes in the situation of the concession agreements of oil and gas areas after December 31, 2019.

Underground gas storage

On February 19, 2020, the first natural underground gas storage system was inaugurated in the Province of Santa Cruz for commercial use. The Project is located in the area of Sur Río Chico and contemplates an investment of US$ 50 million in its two stages, will allow to keep natural gas in underground reservoirs located at great depths.

The total investments of the Pilot Stage are estimated at 9.7 million dollars. As of June 30, 2020, 90% have already been executed and 24.3 MMm3 (9,300 kcal / m3) of buffer gas (gas necessary to give minimum pressure to the reservoir) were stored.

On May 8, 2020, the Province of Santa Cruz issued Provincial Decree No. 498 formalizing the granting of the Concession "Santa Cruz II-Fracción ASGN" for the storage of gas. As of the date hereof, the ratification of the Decree by a law of the legislature of the Province of Santa Cruz is pending for it to come into force.

1.2. Context in which the Company is operating. Coronavirus and the oil price crisis

On March 11, the World Health Organization ("WHO") declared coronavirus ("COVID–19") a pandemic at global level. The adverse impact of the outbreak of COVID-19 on the world's economy, cannot be determined.

According to the recommendations published by the WHO for all countries affected by the COVID-19 pandemic, the Argentine National Government issued Emergency Decree ("DNU") No. 297/2020 setting forth the "preventive and mandatory social distancing" to protect public health.

This DNU sets forth as part of the measures to mitigate the propagation and transmission of the virus, the immediate suspension of non-essential activities in the public, private and social sectors.

However, this Decree sets forth certain exceptions, like minimum guards ensuring the operation and maintenance of oil and gas fields, oil and gas treatment and/or refining plants, transportation and distribution of electric power, liquid fuels, oil and gas, fuel vending stations and electric power generators.

Such measure was originally effective from March 20 to June 30, 2020 and has been successively extended to August 16, 2020, inclusive, under Decree No. 541/2020.

The preventive and mandatory social distancing declared for the COVID-19 have significantly affected the hydrocarbon national and world industry.

The company is facing a new scenario in the oil market, marked by a significant reduction in world oil demand due to the extreme containment measures of COVID-19 that has led to an increase in oil surplus that resulted in a drop in prices, although as of May there is a certain recovery in them.

In the framework of the public emergency and the international crisis derived from COVID-19, the Argentine National Goverment ("PEN") published during the current quarter, the Decree No. 488/2020, which it establishes a price of reference to invoice and collect deliveries of crude oil in the Argentine market equivalent to 45 USD per barrel; with effect from May 19 and until December 31, 2020; a zero export duty rate if the international price of crude is less than USD 45 per barrel; and Royalties must be calculated using the Reference Price. The Company exports most of its crude oil production.

Regarding the gas market, the closure of all non-essential industrial activities and the seasonality of consumption have contributed to the fall in demand for gas for thermal generation, industries and shops. Consequently, the prices obtained by the Company, in recent auctions carried out by *Compañía Administradora del Mercado Mayorista Eléctrico* (the company administering the wholesale electric market or CAMMESA) have shown a sustained downward trend, compared to pre-social distancing prices.

In addition, on June 30, 2020, and since the National Government did not issue any measures aimed at performing a new public tender by means of auctions through Mercado Electrónico de Gas S.A. (MEGSA), gas producers, including the Company, agreed with distributors the extension of certain agreements for additional periods of up to three months. Also, on April 27, 2020, Resolution ENARGAS No. 27 was published in the Official Gazette, repealing Resolution ENARGAS No. 72, which set forth the methodology for the transfer to rates of the price of gas.

The Company's management is closely monitoring the situation and immediately taking decisive measures in order to ensure the integrity of its personnel, maintain operations and preserve its financial condition. In connection with the condensed interim financial statements as of June 30, 2020, there follows a summary of the principal impacts caused by the above-described circumstances:

- **Assessment of the recoverable amount of property, plant and equipment.**
  The current and expected fall of the activity in the industry where the Company operates constitutes an indicator of impairment according to IAS 36, due to recoverable amount tests have been performed as of June 30, 2020. The findings relating to the tests made, including the principal assumptions and variables considered, as well as the result thereof, are included in note 7.

- **Impairment of inventories**

  As a result of the fall in the price of oil, the Company has to record an impairment of inventories. This impairment is a consequence that the net realizable value was lower than the production cost. (see note 10).

The final implications of the Coronavirus outbreak and its impact on the country’s economy are unknown and impossible to predict. However, although it has produced significant adverse effects in the short term, these are not expect to affect the continuity of business. Given the current financial strength of the Company, although there are economic impacts in the short term, we believe that the Company will be able to continue honoring its financial commitments during the next twelve months.

However, given the recent measures adopted by the Government, it is not possible to accurately quantify the duration of the restriction periods, or how the price of crude oil will continue evolving at international level, and in particular at local level, and to which extent the Company’s business and results of operations will be affected in the future, should the above described circumstances extend over time.

Note 2. Basis for preparation

The *Comisión Nacional de Valores* (Securities Commission or CNV), by means of General Resolution No. 622/13, set forth the application of Technical Resolution No. 26, as amended, of the *Federación Argentina de Consejos Profesionales de Ciencias Económicas* (Argentine Federation of Professional Councils in Economic Sciences) adopting the IFRS issued by the IASB for publicly listed entities covered by the regime of Law No. 17,811, as amended, whether on account of their capital stock or their notes, or that have requested authorization to be included in such regime.

These condensed interim financial statements for the period ended June 30, 2020 have been prepared according to the accounting framework set forth by the CNV. Such accounting framework is based on the application of the **IFRS**, and in particular **International Accounting Standard 34 “Interim Financial Reporting” (IAS 34)**. Therefore, they do not include all the information required for the presentation of annual financial statements.

These condensed financial statements have been prepared according to the historical cost convention, modified by the measurement of financial assets at fair value through profit or loss, and must be read together with the Company’s financial statements as of December 31, 2019, which have been prepared according to the International Financial Reporting Standards (“IFRS”).

The condensed interim financial statements for the quarters ended June 30, 2020 and 2019 have not been audited. The Company’s management estimates that they include all necessary adjustments to fairly present the comprehensive results for each period. The comprehensive results for the quarters ended June 30, 2020 and 2019 do not necessarily reflect the proportion of the Company´s results for the full year.

Restatement of financial statements

The financial statements have been expressed in units of the functional currency current as of June 30, 2020 according to IAS 29 "Financial Reporting in Hyperinflationary Economies", using the indexes established by the FACPCE, on the basis of the price indexes published by the INDEC, or an estimation thereof if same are not available at the moment the information must be prepared.

Comparative information

The balances as of December 31, 2019 and for the period ended June 30, 2019 presented in these condensed interim financial statements for comparative purposes have been derived from the condensed interim financial statements as of such dates expressed in units of the functional currency as of June 30, 2020 according to IAS 29 "Financial Reporting in Hyperinflationary Economies".

The Company's activities are not subject to significant seasonal changes in the case of oil, whereas in the case of natural gas the demand in the markets of residential consumption and power generation is seasonal by nature, with significant fluctuations between winter and summer. The lesser demand for residential natural gas in summer causes prices to be lower than those in force during winter months. Therefore, CGC's operations could be subject to seasonal fluctuations in its volumes and selling prices.

Storage of accounting and corporate documentation

In accordance with General Resolution No. 629/14 of the *Comisión Nacional de Valores* we inform that the back-up documentation of accounting transactions and the Company's management and the business and corporate books of CGC are filed at the offices located at Bonpland 1745, City of Buenos Aires, and in the warehouses of the supplier "Iron Mountain Argentina S.A.", with registered office at Amancio Alcorta 2482, City of Buenos Aires.

Transcriptions in the journal and balance book

Given the measures adopted by the National Government in connection with the preventive and mandatory social distancing to protect the population and fight Coronavirus mentioned in Note 1.2), as of the date of issue of these condensed interim financial statements as of June 30, 2020, these have not yet been transcribed in the Balance Book and for the same reason, the Journal Book is updated until March, 2020.

Approval of the board of directors

The issue of these condensed interim financial statements has been approved by the Company's Board of Directors on August 11, 2020.

Note 3. Accounting policies

The accounting policies adopted for the condensed interim financial statements are consistent with those used in the financial statements for the year ended December 31, 2019.

3.1- New mandatory rules, amendments and interpretations for fiscal years started as from January 1, 2020 and not adopted in advance

The management has assessed the relevance of other new rules, amendments and interpretations that are not yet effective and has concluded that same are not relevant for the Company.

3.2- Estimates

The preparation of the condensed interim financial statements requires the Company’s management to make estimates and assessments regarding the future, use critical judgments and make assumptions affecting the application of accounting policies and the reported amounts of assets and liabilities, income and expenses.

In the preparation of these interim financial statements, the critical judgments made by the management upon applying the Company’s accounting policies and the sources of information used for the respective estimates are the same as those applied in the financial statements for the year ended December 31, 2019.

These estimates and judgments are continuously evaluated and are based on past experience and other factors that are reasonable under existing circumstances. Actual results could differ from the estimates and assessments made as of the date of preparation of these condensed interim financial statements.

Note 4. Financial risk management

The Company’s Board of Directors establishes its risk management, which have been consistently applied during the periods under analysis presented in these financial statements.

As of June 30, 2020, considering the situation described in note 1.2 to these financial statements regarding Coronavirus and the crisis of the price of oil, the Company has evaluated the commodity price risk and is analyzing different strategies in order to reduce its impact on its financial condition.The Company has made an analysis of sensitivity to possible changes in interest rates and exchange rates, and it will not be significantly affected thereby.

As of June 30, 2020 and December 31, 2019, the Company had no futures or financial derivatives contracts for commodity prices.

Liquidity Risk Management

The Company has evaluated projected liquidity on the basis of different stressed scenarios and has concluded that it is not in difficulties to honor its future commitments. In addition, the notes issued by the Company contain certain covenants, including financial covenants relating to the leverage ratio and the debt-service coverage ratio, among others. The Company monitors the performance of covenants on a quarterly basis.

However, if the current conditions persist (see Note 1.2), the Company may be prevented from taking additional debt if the limits set forth in any of the above-mentioned ratios are exceeded. In addition, given the present macroeconomic context at world level and in Argentina in particular, its financing capacity may be affected.

It should be noted that the Company currently has a solid liquidity level, which allows it to adequately face such volatility.

Credit Risk Management

As of June 30, 2020 the Company's trade receivables amount to $ 3,519 million, of which approximately 75% correspond to receivables relating to sales of gas.
Such receivables are distributed as follows: approximately 36% from power generators, 50% from distributors, 13% from local industries and 1% from compressed natural gas ("GNC").

Within the framework of the outbreak of Covid-19 and in order to face the sanitary and economic consequences of the pandemic, the Argentine Government issued urgency decree No. 311/2020, setting forth that, among other companies, the providers of network gas services shall not be able to suspend or cut the respective services to certain users in the event of delay or lack of payment of up to six consecutive or alternate invoices maturing on or after March 1, 2020, including users with already sent shut-off notices.

As from the month of April 2020, the Company has been receiving notes from some gas distributors informing the partial payment of the invoices for the purchase of gas, based on the mandatory and preventive social distancing provided for by Decree No. 297/20 and for the purposes of the above referred Decree No. 311/20, prohibiting to interrupt the gas supply to certain users for lack of payment. This situation was regularized in the following months as the level of delay in collection decreased due to the relaxing of social distancing measures and the declaration of essential services for the collection of cash. Notwithstanding, there are some delays in collections. The distributors must cancel the invoices within 65 days and they are doing so, within an average of 90 days.

In the segment of power generators there are certain delays in collections. The principal customer, CAMMESA, must make payments within 45 days after the end of each month; however, since the end of 2019 it is making its payments within an average of 81 days. The current economic environment and future credit risk perspectives have been considered when reviewing and updating provision estimates. Although they have not had a significant impact, the full economic impact of COVID-19 on the expected credit losses is uncertain. The Company will continue reviewing in detail the assumptions used for these estimates.

Note 5. Fair value measurement

IFRS 13 requires, for financial instruments valued at fair value, a fair value disclosure per level. The Company classifies fair value measurements of financial instruments using a fair value hierarchy, which reflects the relevance of the variables used to perform such measurements. The fair value hierarchy has the following levels:

- **Level 1**: quoted (unadjusted) prices in active markets for identical assets or liabilities
- **Level 2**: data other than the quoted prices included in Level 1 observable for assets or liabilities, whether directly (i.e. prices) or indirectly (i.e. derived from prices)
- **Level 3**: data on assets or liabilities not based on information observable in the market (i.e. unobservable information).

The following table shows financial assets measured at their fair value as of June 30, 2020 and December 31, 2019. The Company has no financial liabilities measured at fair value.

As of 06.30.2020	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents				
Mutual funds	1,770,458	-	-	**1,770,458**
Investments at fair value				
Government Securities	349,707	-	-	**349,707**
Listed shares	39,903	-	-	**39,903**
Total current assets	**2,160,068**	-	-	**2,160,068**

As of 06.30.2019	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents				
Mutual funds	230,137	-	-	**230,137**
Investments at fair value				
Government Securities	314,990	-	-	**314,990**
Listed shares	29,337	-	-	**29,337**
Total current assets	**574,464**	-	-	**574,464**

As of June 30, 2020 there were no transfers between levels during the period, nor changes in the way to determine the fair value of financial assets and liabilities.

The specific valuation techniques used to determine fair values include:

- Listing prices on active markets for similar instruments. These values are included in level 1.

- The fair values for financial hedging instruments determined using specific price models that are observable in the market or may be derived from or confirmed by observable data. The fair value of hedging agreements is calculated as the net present value of the estimated future cash flows, based on the future listing price on active markets. These values are included in level 2

- The fair value for the remaining financial instruments is determined using discounted values of cash flows. These values are included in level 3.

Note 6. Operating segments

IFRS 8 "Operating Segments" requires entities to disclose financial and descriptive information on those operating segments or groups of segments classified as reportable that meet certain criteria. Operating segments are components of an entity for which separate financial information is available and are regularly evaluated by the chief operating decision maker (CODM) to decide how to allocate resources or assess asset performance. Operating segments are reported consistently with internal reports to the CODM or, if applicable, to the Board of Directors.

The Company has two operating and reportable segments, which are organized on the basis of similar economic characteristics, nature of the products offered, production processes, type and classes of customers and distribution methods, as follows:

- **"Upstream"**: includes the results of exploration and production of oil, gas and LPG;
- **"Midstream"**: includes the results of permanent investments in the following gas transportation companies: TGN, TGM and Gasandes.

Central Structure includes expenses common to the segments reported, such as administrative expenses, taxes on financial transactions, income tax, interest on financial liabilities incurred by the Company in the ordinary course of business, which are not allocated to the reported segments.

The CODM uses the Adjusted EBITDA to decide how to allocate resources and monitor the performance of segments.

Notes to condensed interim financial statements (cont.)

Adjusted EBITDA means the operating result of consolidated segments excluding depreciation and impairment expenses of property, plant and equipment and leasehold interests, expected losses for trade and other receivables, provisions for legal actions and other claims, income (losses) for the return of areas and taxes on financial transactions and includes the collection of dividends on investments in associates and joint ventures. Total adjusted EBIDTA means the sum of the adjusted EBITDA of all segments.

The following table contains selected information for each of the business segments identified by the Company's management:

	As of 06.30.2020			
	Upstream	**Midstream**	**Central Structure**	**Total**
Revenue	12,373,408	-	-	**12,373,408**
Cost of revenues	(4,061,442)	-	-	**(4,061,442)**
Gross income	**8,311,966**	**-**	**-**	**8,311,966**
Selling expenses	(509,772)	-	-	**(509,772)**
Central structure expenses	-	-	(563,766)	**(563,766)**
Other operating income and expenses	(361,997)	109,100	-	**(252,897)**
Adjusted EBITDA	**7,440,197**	**109,100**	**(563,766)**	**6,985,531**
Dry wells and unsuccessful studies	(4,811)	-	-	**(4,811)**
Other operating income and expenses	-	-	(165,519)	**(165,519)**
Non-financial assets impairment loss	(2,299,981)	-	-	**(2,299,981)**
Depreciation and amortization	(4,292,013)	-	(15,291)	**(4,307,304)**
Tax on bank debits and credits	(82,939)	-	(13,671)	**(96,610)**
Gain/loss on long-term investments	-	959,612	-	**959,612**
Subtotal	**760,453**	**1,068,712**	**(758,247)**	**1,070,918**
Financial income	-	-	26,154	**26,154**
Financial costs	-	-	(1,595,076)	**(1,595,076)**
Hyperinflation effect	-	-	(839,010)	**(839,010)**
Other financial results	-	-	(955,555)	**(955,555)**
Result before taxes	**760,453**	**1,068,712**	**(4,121,734)**	**(2,292,569)**
Income tax	-		813,045	**813,045**
Result of the period Profit / (Loss)	**760,453**	**1,068,712**	**(3,308,689)**	**(1,479,524)**
Adjusted EBITDA				**6,985,531**
Dividend collected in the period				**705,116**
Adjusted EBITDA with dividends collected				**7,690,647**

Notes to condensed interim financial statements (cont.)

	As of 06.30.2019			
	Upstream	Midstream	Central Structure	Total
Revenue	17,382,782	-	-	**17,382,782**
Cost of revenues	(6,430,966)	-	-	**(6,430,966)**
Gross income	**10,951,816**	**-**	**-**	**10,951,816**
Selling expenses	(710,892)	-	-	**(710,892)**
Central structure expenses	-	-	(734,817)	**(734,817)**
Other operating income and expenses	(36,740)	132,941	-	**96,201**
Adjusted EBITDA	**10,204,184**	**132,941**	**(734,817)**	**9,602,308**
Exploration expenses	(1,997)	-	-	**(1,997)**
Other operating income and expenses	(112,959)	-	(64,174)	**(177,133)**
Depreciation and amortization	(3,984,172)	-	(11,001)	**(3,995,173)**
Tax on bank debits and credits	(107,266)	-	-	**(107,266)**
Gain on investment in associates and joint ventures	-	845,622	(188)	**845,434**
Subtotal	**5,997,790**	**978,563**	**(810,180)**	**6,166,173**
Financial income	-	-	38,498	38,498
Financial costs	-	-	(1,330,722)	(1,330,722)
Hyperinflation effect	-	-	(564,124)	(564,124)
Other financial results	-	-	1,599,042	1,599,042
Income (loss) before taxes	**5,997,790**	**978,563**	**(1,067,486)**	**5,908,867**
Income tax	-	-	(1,323,057)	**(1,323,057)**
Result of the period –Profit / (Loss)	**5,997,790**	**978,563**	**(2,390,543)**	**4,585,810**
Adjusted EBITDA				**9,602,308**
Dividends collected in the period				**1,121,180**
Adjusted EBITDA with dividends collected				**10,723,488**

Notes to condensed interim financial statements (cont.)

Note 7. Property, plant and equipment

Changes in this caption are as follows:

	Quarter ended June 30 2020									06.30.2019
	Development and Production Assets									
	Wells and production facilities	Other production related assets	Mining property	Materials and spare parts	Works in progress (1)	Total	Exploration and evaluation assets	Central management assets	Total	Total
Cost										
Balances at the beginning of the year	47,524,116	207,720	6,811,756	900	1,945,973	56,490,465	1,915,008	368,068	58,773,541	46,027,544
Additions	386,906	469	-	-	1,388,332	1,775,707	305,958	38,322	2,119,987	6,494,039
Transfers	813,652	4,071	-	(160)	(569,653)	247,910	(243,577)	(4,333)	-	-
Write-offs	-	-	-	-	-	-	-	-	-	(51,101)
Balances at the end of the period	**48,724,674**	**212,260**	**6,811,756**	**740**	**2,764,652**	**58,514,082**	**1,977,389**	**402,057**	**60,893,528**	**52,470,482**
Accumulated depreciation										
Balances at the beginning of the year	24,199,925	104,228	5,074,264	-	-	29,378,417	-	245,282	29,623,699	21,380,839
Depreciation of the period	3,765,497	13,107	191,271	-	-	3,969,875	-	15,291	3,985,166	3,696,983
Write-offs	42	220	-	-	-	262	-	(262)	-	(33.100)
Balances at the end of the period	**27,965,464**	**117,555**	**5,265,535**	**-**	**-**	**33,348,554**	**-**	**260,311**	**33,608,865**	**25,044,722**
Residual value	**20,759,210**	**94,705**	**1,546,221**	**740**	**2,764,652**	**25,165,528**	**1,977,389**	**141,746**	**27,284,663**	**27,425,760**
Non-financial assets impairment									(4,138,512)	(665,230)
Total									**23,146,151**	**26,760,530**

(1)The cost of works in progress the construction of which extends over time includes, where applicable, financial costs accrued from financing through third party capital. There have been registered financial cost activations of $ 92,676 (capitalization interest rate of 8.38% p.a.) and $ 138,083 (capitalization interest rate of 5.43% p.a) as of June 30, 2020 and 2019, respectively.

Changes in the non-financial assets impairment are as follows:

	06.302020	06.30.2019
Balance at the beginning of the year	1,838.531	752,648
Increase	2,299,981	(87,418)
Balance at the end of the period	**4,138,512**	**665,230**

Assessment of the recoverable amount of property, plant and equipment
At the end of each period, the Company reviews the relation between the recoverable amount and the carrying amount of its assets, where there are indications of impairment.

As of March 31, 2020, the Company identified indications of impairment mainly arising from the macroeconomic instability in Argentina and the fall in the international price of crude oil due to the circumstances described in Note 1.2.

The methodology used in the estimation of the recoverable amount consisted the value-in-use calculation of each CGU on the basis of the net present value of the future cash flows expected to be obtained from the CGU, discounted at a rate reflecting the weighted average cost of the capital (WACC) used.

Cash flows were elaborated on the basis of estimates regarding the future conduct of certain assumptions that are critical in the value-in-use determination, including:

(i) reference prices for the products; (ii) nature, timing and modality of rate increases; (iii) demand projections per type of product; (iv) evolution of costs; (v) investment needs for the development of the areas; and (vi) macroeconomic variables, such as inflation rates, exchange rate, among others.

As a result of the updated analysis, the Company identified an increase of the impairment of non-financial assets as of March 31, 2020. The affected CGUs are Dos Hermanos, Campo Boleadoras, La Maggie, María Inés and Cóndor. During the quarter ended June 30, 2020 an impairment loss for a total of $ 2,299,981 was recognized. As of June 30, 2019 no impairment loss was recognized. The impairment charge is included in other operating income and expenses in the Comprehensive Statement of Income (see Note 23).

As of June 30, 2020, the balance of the non-financial assets impairment of $ 4,138,512 ($1,838,531 as of 12-31-2019) consisted of: CGU Dos Hermanos, $395,213 ($362,982 as of 12-31-2019); Campo Boleadoras, $1,487,240 ($0 as of 12-31-2019), CGU La Maggie, $1,002,795 ($693,203 as of 12-31-2019); CGU María Inés, $1,005,861 ($744,672 as of 12-31-2019) and CGU Cóndor, $ 247,403 ($37,674 as of 12-31-2019).

Principal assumptions used

The calculation of the value in use made by CGC at March 31, 2020, for each CGU, is more sensitive to the following assumptions:

	06.302020
WACC discount rate used	14.33%
Prices of Crude Oil and Natural Gas	
Crude oil - Brent (US$/bbl.)	
2020	25.5
2021	41.4
2022 onwards	46.4
Natural gas – Local prices (US$/MMBTU)	
2020	2.7
2021 onwards	3.1

If the weighted market price used for the impairment test had been 5% lower in each of the future years, with all other variables held constant, the impairment loss would have been higher by $ 557,074. An increase of 1% in the discount rate would result $103,068 of additional impairment

Note 8. Investments in associates and joint ventures

8.a) Below there is a detail of the investments in associates and joint ventures as of June 30, 2020 and December 31, 2019:

Company	06.30.2020	12.31.2019
Joint Ventures		
Gasinvest S.A.	14,120,233	13,843,862
Gasoducto Gasandes (Argentina) S.A.	942,708	1,005,478
Gasoducto Gasandes S.A. (Chile)	641,362	647,072
Transportadora de Gas del Norte S.A.	28,289	27,750
Andes Operaciones y Servicios S.A. (Chile)	57,552	55,760
Associates		
Transportadora de Gas del Mercosur S.A.	77,784	85,903
Total investments	**15,867,928**	**15,665,825**

Notes to condensed interim financial statements (cont.)

8.b) Below there is a detail of the changes in investments as of June 30, 2020 and 2019:

	06.30.2020	06.30.2019
At the beginning of the year	**15,665,832**	**13,332,303**
Conversion differences	47,564	(84.053)
Capital contributions or reductions	-	203
Asset revaluation reserve (2)	(337,215)	52.988
Profit sharing	959,612	845,433
Dividends (1)	(467,865)	(1,121,180)
Sundry	-	(26)
At the end of the period	**15,867,928**	**13,025,673**

(1) In the quarter ended June 30, 2020, $ 705,116 have been collected ($ 237,251 corresponding to dividends declared by the associates and joint ventures in 2019 and $467.865 corresponding to dividends declared by the associates and joint ventures in 2020)

(2) Corresponds to the (devaluation) / valuation of the Asset revaluation reserve for property, plant and equipment measured at fair value in the companies Transportadora de Gas del Norte and Gasinvest S.A. as of June 30, 2020 and 2019.

8.c) Below there is a detail of the results of investments in associates and joint ventures as of June 30, 2020 and March 31, 2019:

Company	06.30.2020	06.30.2019
Joint Ventures		
Gasinvest S.A.	610,939	455,669
Gasoducto Gasandes (Argentina) S.A.	227,363	280,834
Gasoducto Gasandes S.A. (Chile)	128,337	119,977
Transportadora de Gas del Norte S.A.	1,217	812
Andes Operaciones y Servicios S.A. (Chile)	(125)	3,429
Associates		
Transportadora de Gas del Mercosur S.A.	(8,119)	(15,100)
Other companies		
CGC International Corp.	-	(188)
Total results in investments	**959,612**	**845,433**

Note 9. Other receivables

The composition of other receivables is as follows:

	06.30.2020	12.31.2019
Non-current		
Related parties (Note 25 a))	435,413	374,583
Tax on bank debits and credits	141,116	99,412
Income tax	73,440	81,809
Minimum presumed income tax	166,902	264,061
Sundry	107	70
Allowance for future expected losses	(388,153)	(374,583)
Total	**428,825**	**445,352**
Current		
Receivables from incentives pursuant to Resolution 419-E/2017	4,722,605	3,239,927
Receivables under propane gas supply agreement	63,799	54,775
Related parties (Note 25 a))	17,453	254,138
Value Added Tax	209,297	406,446
Other tax credits	113,668	173,349
Advances to suppliers	90,965	50,751
Recoverable expenses	35,032	65,765
Prepaid insurance	63,995	30,604
Trust assets	149,854	298
Prepaid mining fees	15,199	33,866
Sundry	67,483	62,128
Total	**5,549,350**	**4,372,047**

Changes in the provision for other receivables are as follows:

	06.30.2020	06.30.2019
Non-current		
Balance at the beginning of the year	**374,583**	**362,016**
Restatement due to changes in the currency's purchasing	(44,824)	(66,263)
Increases (1)	58,394	37,564
Balance at the end of the period	**388,153**	**333,317**

(1) Were charged to financial results in 2020 and 2019.

Due to the short-term nature of other current receivables, it is considered that their book value do not differ from their fair value. For the other non-current receivables, the fair values do not differ significantly from their book values.

Note 10. Inventories

The composition of inventories is as follows:

	06.30.2020	12.31.2019
Oil and by-products	359,916	276,927
Materials and spare parts	984,703	966,136
Total	**1,344,619**	**1,243,063**

As of June 30, 2020 such value has an impairment of $58 million. This impairment is a consequence that the net realizable value was lower than the production cost. See note 1.2

Note 11. Trade receivables

The composition of trade receivables is as follows:

	06.30.2020	12.31.2019
Non-current		
Ordinary	268,458	322,889
Bankruptcy proceedings	292,211	284,446
Less: Provision for expected losses	(292,211)	(284,446)
Total	**268,458**	**322,889**
Current		
Ordinary	3,457,177	5,475,204
less: Provision for expected losses	(206,550)	(102,414)
Total	**3,250,627**	**5,372,790**

Changes in the provision for doubtful accounts are as follows:

	06.30.2020	06.30.2019
Balance at the beginning of the year	**386,860**	**405,953**
Restatement due to changes in the currency's purchasing power	(46,294)	(74,305)
Increases (1)	158,195	76,052
Balance at the end of the period	**498,761**	**407,700**

(1) $ 116,391 and $ 42,615 were charged to other operating income and expenses in 2020 and 2019, $ 41,804 and $ 33,437 to financial results in 2020 and 2019.

Due to the short-term nature of current trade receivables, it is considered that their book value do not differ from their fair value. For the non-current trade receivables, the fair values do not differ significantly from their book values.

Note 12. Investments at amortized cost and fair value

12.a) The composition of investments at amortized cost is as follows:

	06.30.2020	12.31.2019
Non-current		
Government securities at amortized cost	-	702,768
Total	**-**	**702,768**
Current		
Government securities at amortized cost	1,575,381	1.520,452
Total	**1,575,381**	**1,520,452**

12.b) The composition of investments at fair value is as follows:

	06.30.2020	12.31.2019
Current		
Listed shares	39,903	29,337
Government securities at fair value (1)	349,707	314,990
Total	**389,610**	**344,327**

(1) As of June 30, 2020 and December 31, 2019 they include the nominal amount of 8,228,408 of 8% Argentine Bonds in US$ due 2020 (Bonar 2020 US$), received according to the provisions of Decree No. 704/2016. The book value of Government securities at amortized cost do not differ from their fair value.

Note 13. Cash and cash equivalents

	06.30.2020	12.31.2019
Cash, fixed funds	596	601
Banks	6,171,719	4,556,755
Mutual funds(1)	1,770,458	230,137
Total	**7,942,773**	**4,787,493**

(1) As of June 30, 2020 it includes 233,838,243 shares in the mutual fund "Alpha Pesos" and 242,337 shares in the mutual fund "Allaria Ahorro FCI –Ahorro –C". As of December 31, 2019 it includes 29,560,287 shares in the mutual fund "Alpha Pesos".

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

	06.30.2020	12.31.2019
Cash and cash equivalents	6,172,315	4,557,356
Mutual funds	1,770,458	230,137
Bank overdraft	(969,637)	(567,902)
Total	**6,973,136**	**4,219,591**

Note 14. Capital stock

As of June 30, 2020 and December 31, 2019, the capital stock amounted to $ 399,138, and had been fully subscribed, paid in and registered. Same is represented by 399,137,856 non-endorsable registered ordinary shares of $1 peso nominal amount each and entitled to one vote per share. The shareholders Latin Exploration S.L.U. and Sociedad Comercial del Plata S.A. hold 70% and 30% of the capital stock and votes, respectively. Latin Exploration S.L.U. holds 279,396,499 shares and Sociedad Comercial del Plata S.A. holds 119,741,357 shares.

Results per share

	Three-month period		Six-month period	
	30.06.2020	**30.06.2019**	**30.06.2020**	**30.06.2019**
Result attributable to the Company’s shareholders	88,826	3,813,098	(1,479,524)	4,585,810
Weighted average number of outstanding ordinary shares	399,138	399,138	399,138	399,138
Basic and diluted result per share (pesos)	**0.223**	**9.553**	**(3.707)**	**11.489**

The Company has no instruments with dilutive effect.

Note 15. Other provisions

	06.30.2020	**12.31.2019**
Non-current		
Gas imbalance	7,883	9,677
Well abandonment and environmental remediation	3,014,262	2,877,003
Other	33,814	33,117
Total	**3,055,959**	**2,919,797**
Current		
Gas imbalance	1,343	1,596
Total	**1,343**	**1,596**

Changes in other provisions are as follows:

Notes to condensed interim financial statements (cont.)

	Balance at the beginning of the year 12.31.2019	Hyperinflation effect	Increases	Decreases	Balance at the end of the period 06.30.2020
Non-current					
Gas imbalance (1)	9.677	-	-	(1.794)	7.883
Well abandonment and environmental remediation provision (2)	2.877.003	(295.858)	433.117	-	3.014.262
Total	**2.886.680**	**(295.858)**	**433.117**	**(1.794)**	**3.022.145**
Current					
Gas imbalance (1)	1,596	-	-	(253)	1,343
Total	**1,596**	**-**	**-**	**(253)**	**1,343**

(1) ($ 2,047) correspond to gas return and were charged to cost of sales.

(2) $ 391,864 correspond to present value, which were charged to financial costs, $ 41,253 to adjustment of future costs, which were charged to property, plant and equipment.

Note 16. Financial debts

The composition of financial indebtedness is as follows:

	06.30.2020	12.31.2019
Non-current		
Bank loans	-	2,029,240
Notes	22,786,237	22,354,780
Total	**22,786,237**	**24,384,020**
Current		
Bank overdraft	969,637	567,902
Bank loans	4,519,730	3,084,908
Notes	4,130,281	1,447,492
Total	**9,619,648**	**5,100,302**

Notes to condensed interim financial statements (cont.)

The change in financial indebtedness as of June 30, 2020 and 2019 is shown below:

	06.30.2020	06.30.2019
Initial balance	**29,484,322**	**29,562,380**
Short term bank overdraft, net	401,747	-
Accrued interest	1,629,385	1,399,671
Exchange differences	963,243	(2,538,459)
Loans received	5,129,270	6,555,130
Payments of principal	(3,593,782)	(5,982,157)
Payments of interest	(1,608,300)	(1,360,618)
Final balance	**32,405,885**	**27,635,947**

The maturities of financial indebtedness as of June 30, 2020 and as of December 31, 2019 are as follows:

	06.30.2020	12.31.2019
Less than 1 year	9,619,648	5,100,302
From 1 to 2 years	22,786,237	24,384,020
Total	**32,405,885**	**29,484,322**

See the detail of the financial indebtedness, guarantees and restrictions in note 21 to the financial statements as of December 31, 2019.

The carrying amount of financial liabilities approximates their fair value, with a difference of 0.37% below par.

In the six-month period ended June 30, 2020, and considering recent events up to the date of issue of these financial statements, there have been the following significant variations in the Company's financial indebtedness:

Export Financing with Banco Macro S.A.

On January 29. 2020, the Company obtained an export financing from Banco Macro S.A., for a total amount of US$ 10,000 with a maturity of 120 days and with an fixed annual interest rate of 6.00%. The purpose of such loans was to finance working capital corresponding to the Company's export transactions of crude oil and gas.

On May 29, 2020, the Company partially canceled the Export Financing signed with Banco Macro S.A. on January 29, 2020. The amortized principal and the corresponding accrued interest payment amounted to US$ 9,072 and US$ 179, respectively. The remaining amount of US $ 928 was refinanced for a term of 120 days, accruing a fixed annual rate of 6.00%. The expiration date of the new financing is September 26, 2020.

New issuance of Notes Classes 12, 13 and 14

On March 5, 2020 the Company placed, under the Frequent Issuer regime No. 8, three series of notes in the local market, with the following detail: Class 12 Notes: in U.S. dollars, for a total amount of US$ 15,310, due in 15 months and with a fixed annual interest rate of 9.00%; Class 13 Notes: denominated in U.S. dollars and payable in pesos at the applicable exchange rate, for a total amount of US$ 14,344, due in 15 months and with a fixed annual interest rate of 8.50%; and Class 14 Notes: denominated in Argentine pesos and payable in pesos, for a total amount of $ 314,609, due in 12 months and with a variable interest rate equal to the sum of (i) the applicable interest rate (private Badlar Rate), plus (ii) the cut-off margin (500 basis points). The proceeds from the issuance of such Notes will be mainly used to refinance liabilities, as well as for investments in the exploitation and exploration of hydrocarbons in the Austral Basin and to finance working capital of the Company.

Class 15 Notes

On May 26, 2020, the Company issued the Class 15 Notes, denominated in United States dollars and payable in pesos, for a total amount of US$ 19,891. Class 15 ON accrue interest at a fixed rate of 5.0% nominal annual and payable quarterly and the principal will be paid at maturity. The ON have an expiration date of August 26, 2021. The funds obtained are mainly destined to the refinancing of liabilities and also investments in hydrocarbon exploration and exploitation in the province of Santa Cruz (Austral Basin), the integration of working capital, the acquisition of goodwill located in the country and the integration of capital contributions in subsidiaries or associated companies.

Partial prepayment of Class 10 Notes

On January 13, 2020, the Company prepaid US$ 987 on account of principal. In addition, the interest accrued as of such date was then paid. On March 16, 2020, using part of the proceeds from the last issue of Notes, the Company prepaid US$ 14,273 on account of principal.
In addition, the interest accrued as of such date and the prepayment fees in the amount of US$684 and US$ 143, respectively, were paid.

Payment of the first amortization installment of principal of Class 10 Notes

On April 13, 2020, the Company paid the first installment of principal corresponding to Class 10 Notes, in line with the amendment to the Terms and Conditions made by means of the Request for Consent, launched on September 12, 2019 and accepted by 100% of the holders. The amortized principal and accrued interest amounted to US$ 5,000 and US$ 235, respectively.

In addition, at July 13, 2020 the Company paid the second installment of principal amounted to US$ 5,000 and interest US$ 571. At present, there are Class 10 Notes outstanding for an amount of US$ 18,626.

Payment of the first installment of the Syndicated Loan

On May 21, 2020, the Company made the payment of the first installment of capital corresponding to the Syndicated Loan signed on May 22, 2019, with Citibank N.A. as an administrative agent, the branch of Citibank N.A. established in the Argentine Republic as organizer, Argentine disbursement agent and lender, Bando de Galicia S.A.U, Industrial and Commercial Bank of China (Argentina) S.A. and Banco Santander Río S.A. as organizers and lenders, for the sum of US$ 75,000.

The amortized capital and the payment of accrued interest corresponding to the quarterly period amounted to US$ 15,000 and US $ 1,781, respectively.

Short-term financing in pesos with several banks

During the first six months of 2020, the Company entered into several short-term loan agreements in pesos and current account agreements with several banks, for a total amount of approximately AR$ 1,670 million and for terms ranging from 90 to 180 days, in order to finance working capital and preserve liquidity in a context of high volatility.

Note 17. Trade payables

The detail of trade payables is as follows:

	06.30.2020	12.31.2019
Current		
Ordinary suppliers	548,570	2,362,122
Ordinary suppliers of joint ventures	109,662	291,416
Related parties (Note 25 a))	89,437	226,523
Invoices to be received	775,623	1,393,918
Total	**1,523,292**	**4,273,979**

Due to the short-term nature of current trade payables, it is considered that their book value do not differ from their fair value. For the non-current trade payables, the fair values do not differ significantly from their book values.

Note 18. Revenue

	Three-month period		Six-month period	
	06.30.2020	06.30.2019	06.30.2020	06.30.2019
Crude oil deliveries	336,276	3,033,878	1,025,018	4,816,286
Gas	2,235,629	3,712,877	5,146,400	7,925,901
Other	242,795	347,124	542,852	691,362
Incentives (1)	3,006,767	2,050,814	5,659,138	3,949,233
Total	**5,821,467**	**9,144,693**	**12,373,408**	**17,382,782**

(1) These amounts of incentives are recorded according to IAS 20.

Notes to condensed interim financial statements (cont.)

Note 19. Cost of revenues

	Three-month period		Six-month period	
	06.30.2020	06.30.2019	06.30.2020	06.30.2019
Inventories at the beginning of the period	1,201,498	1,635,124	1,243,063	1,487,825
Purchases	294.741	748,423	642,542	2,063,327
Inventory consumption	(141.334)	(461,096)	(349,390)	(792,847)
Production costs (1)	3.774.021	4,552,762	8,244,798	8,934,764
Inventories at the end of the period	(1.344.619)	(1,170,666)	(1,344,619)	(1,170,666)
Cost of revenues	**3.784.307**	**5,304,547**	**8,436,394**	**10,522,403**

(1) Cost of production

	Three-month period		Six-month period	
	06.30.2020	03.31.2019	06.30.2020	03.31.2019
Fees and compensation for services	19,969	17,457	40,768	38,893
Outsourced services	722,298	887,575	1,470,056	1,685,146
Salaries, wages and social security contributions	121,985	180,327	255,500	294,748
Other personnel expenses	14,139	13,111	30,722	24,973
Depreciation of property, plant and equipment	1,939,962	1,707,156	3,969,875	3,685,982
Depreciation of leasehold interests	144,371	149,094	400,622	298,190
Taxes, duties and contributions	47,633	56,634	100,803	111,265
Fuel, gas and electricity	60,977	55,911	114,583	108,554
General insurance	25,869	22,319	43,722	38,473
Spare parts and repairs	174,435	310,424	481,262	531,812
Well maintenance expenses	35,748	201,419	236,219	350,090
Office expenses	45,668	51,087	83,997	85,495
Royalties, fees and easements	360,366	784,439	857,407	1,503,762
Gas imbalance	(857)	(2,057)	(2,047)	(4,782)
Environmental control	61,458	117,866	161,309	182,163
Total	**3,774,021**	**4,552,762**	**8,244,798**	**8,934,764**

Note 20. Selling Expenses

	Three-month period		Six-month period	
	06.30.2020	06.30.2019	06.30.2020	03.31.2019
Dispatch and transportation	83,662	61,303	200,023	85,430
Turnover tax	80,731	125,923	169,061	269,100
Export duties	34,195	259,290	140,688	356,362
Total	**198,588**	**446,516**	**509,772**	**710,892**

Note 21. Administration expenses

	Three-month period	Six-month period

Notes to condensed interim financial statements (cont.)

	06.30.2020	06.30.2019	06.30.2020	06.30.2019
Fees and compensation for services	31,854	99,893	79,471	224,434
Salaries, wages and social security contributions	141,928	219,992	304,175	321,837
Other personnel expenses	7,556	5,365	20,014	15,484
Depreciation of property, plant and Equipment	8,309	6,259	15,291	11,001
Taxes, duties and contributions	8,053	6,083	17,172	12,364
General insurance	1,830	1,317	4,677	4,508
Spare parts and repairs	11,468	28,057	69,215	51,088
Office expenses	17,401	16,547	29,285	30,593
Travel and out-of-pocket expenses	2,804	7,384	11,394	19,167
Communications	2,317	2,761	5,473	6,301
Other	18,886	31,450	36,561	49,040
Total	**252,406**	**425,108**	**592,728**	**745,817**

Note 22. Exploration expenses

	Three-month period		Six-month period	
	06.30.2020	06.30.2019	06.30.2020	06.30.2019
Wells and unsuccessful studies	1,475	(107)	4,811	1,997
Total	**1,475**	**(107)**	**4,811**	**1,997**

Note 23. Other operating income and expenses, net

	Three-month period		Six-month period	
	06.30.2020	06.30.2019	06.30.2020	06.30.2019
Other operating income				
Fees for services rendered	51,022	76,788	128,612	141,150
Sundry	2,460	-	8,704	-
	53,482	**76,788**	**137,316**	**141,150**
Other operating expenses				
Outsourced services	(314,477)	(6,484)	(314,490)	(24,839)
Trade receivables allowance charge	(57,356)	20,780	(116,391)	(42,615)
Non-financial assets impairment loss (note 7)	-	-	(2,299,981)	-
Charge for legal actions and other claims provision	3,285	(13,932)	(49,128)	(21,559)
Loss on the assignment of oil production áreas	(56,211)	(112,959)	(56,211)	(112,959)
Sundry	(16,514)	(17,659)	(19,512)	(20,111)
	(441,273)	**(130,254)**	**(2,855,713)**	**(222,083)**
Total	**(387,791)**	**(53,466)**	**(2,718,397)**	**(80,933)**

Note 24. Financial results

	Three-month period		Six-month period	
	06.30.2020	06.30.2019	06.30.2020	06.30.2019
Financial income				
Interest	6,595	31,991	26,154	38,498
Total	**6,595**	**31,991**	**26,154**	**38,498**

Notes to condensed interim financial statements (cont.)

Financial costs				
Interest	(879,913)	(678,001)	(1,595,076)	(1,330,722)
Total	**(879,913)**	**(678,001)**	**(1,595,076)**	**(1,330,722)**
Hyperinflation effect				
Hyperinflation effect (Note 2)	(403,249)	(290,864)	(839,010)	(564,124)
Total	**(403,249)**	**(290,864)**	**(839,010)**	**(564,124)**
Other financial results				
Result of fair value measurement of financial instruments	156,283	(43,495)	40,052	(25,034)
Exchange differences, net	(623,018)	2,690,682	(954,728)	1,675,595
Other financial expenses	(20,936)	(28,868)	(40,879)	(51,519)
Total	**(487,671)**	**2,618,319**	**(955,555)**	**1,599,042**

Note 25. Balances and transactions with related parties

As of June 30, 2020 and December 31, 2019, the Company was controlled by Latin Exploration S.L.U., a Spanish company. The ultimate parent company of the Group is Southern Cone Foundation, a foundation organized in Liechtenstein.

a) Below there is a detail of the balances with related parties as of June 30, 2020 and December 31 , 2019:

	06.30.2020	**12.31.2019**
Other receivables		
Non-current		
Latin Exploration S.L.U.	47,260	-
Petronado S.A.	388,153	374,583
Total	**435,413**	**374,583**
Current		
Gasinvest S.A.	-	237,251
Gasoducto Gasandes (Argentina) S.A.	17,453	16,887
Total	**17,453**	**254,138**
Trade payables		
Current		
Corredor Americano S.A.	89,103	217,862
Gasoducto Gasandes (Argentina) S.A.	334	8,661
Total	**89,437**	**226,523**

b) Below there is a detail of the principal transactions with related parties for the quarters ended June 30, 2020 and 2019:

	06.30.2020		
Company	**Services sold**	**Dividends collected**	**Outsourced services**
Associated companies			
Gasoducto Gasandes (Argentina) S.A.	79,039	305,329	15,267
Gasoducto Gasandes S.A. (Chile)	-	162,536	-
Other companies			

Corredor Americano S.A. (1)	-	-	459,345

(1) Corredor Americano S.A. is a related party for being indirectly controlled by the same shareholders as CGC.

Company	06.30.2019		
	Services sold	Dividends collected	Outsourced services
Sociedades asociadas			
Gasoducto Gasandes (Argentina) S.A.	47,258	53,650	-
Gasoducto Gasandes S.A.	-	62,060	-
Gasinvest S.A.		1,003,798	
Transportadora Gas del Norte S.A.		1,672	
Otras sociedades			
Corredor Americano S.A. (1)	-	-	700,593

(1) Corredor Americano S.A. is a related party for being indirectly controlled by the same shareholders as CGC.

c) Compensations accrued corresponding to key employees of the Company's management and the members of the Board of Directors for the quarters ended June 30, 2020 and 2019 amounted to 266,996 and 320,321, respectively.

Note 26 – Subsequent Events

Exchange offer and consent request Class "A" Notes

On August 6, 2020, the Company launched the exchange offer of its Class "A" Notes at a fixed rate of 9.5% per year with maturity in 2021, for Notes Class 17, redeemable at a fixed rate of 9.5% per year with maturity in 2025. In turn, the holders of the existing Notes will be asked for their consent to modify some commitments and non-compliance assumptions pursuant to the contract for the issuance of the Existing Notes. Pursuant to the provisions of the Exchange Offer Document, Eligible Holders who validly present their existing Notes before the date of Early Participation will receive, for each US$ 1,000.00 of nominal value, a Note of US$ 950,00 and an early cash payment of US$ 100.00. Eligible Holders who submit their existing Notes after the Early Participation date, but on or before the Expiration Date, will receive for each US$ 1,000.00 of nominal value, a Note of US$ 950.00 and a cash pyment of US$ 50.00. The interest will be payable semi-annually in arrears on the dates indicated in the Results Notice.

After June 30, 2020, there has not occurred any other event, situation or circumstance not publicly known significantly affecting or likely to affect the Company's financial or economic position, other than those considered in the notes to these financial statements.

Additional Information to the Notes to the Condensed Interim Financial Statements required by Section 12 - Chapter III – Title IV of the Periodic Reporting Regime of the Comisión Nacional de Valores (Securities Commission)

1.a) The Company is not subject to any specific and significant legal regimes implying any contingent forfeiture or reinstatement of the benefits contemplated by such provisions.

1.b) See Note 2 to the condensed interim financial statements.

2) Accounts receivable and accounts payable – Classification according to maturity

	Accounts receivable		Accounts payable	
	Current	**Non-current**	**Current**	**Non-current**
Assets				
Without stated maturity	**98,063**	**47,260**	**-**	**-**
With stated maturity				
Past due	1,234,975	-	-	-
Not yet due				
-Up to 3 months	3,945,616	-	4,374,845	-
-From 3 to 6 months	1,903,420	-	2,052,545	-
-From 6 to 9 months	1,796,672	-	1,774,205	-
-From 9 to 12 months	1,786,222	-	3,489,085	-
-From 1 to 2 years	-	316,759	-	22,787,148
-From 2 to 3 years	-	206,111	-	1,071
-More than 3 years	-	127,153	-	196
Total	**10,764,968**	**697,283**	**11,690,680**	**22,788,415**

3) Accounts receivable and accounts payable – Classification according to the financial effects of maintaining them

	Accounts receivable		Accounts payable	
	Current	**Non-current**	**Current**	**Non-current**
In local currency	7,004,462	419,406	3,076,628	2,178
In foreign currency	3,760,506	277,877	8,614,052	22,786,237
Total	**10,764,968**	**697,283**	**11,690,680**	**22,788,415**
Interest-bearing	2,178,507	268,458	9,682,709	22,788,415
Noninterest-bearing	8,586,461	428,825	2,007,971	-
Total	**10,764,968**	**697,283**	**11,690,680**	**22,788,415**

4) Equity interests in controlled companies are indicated in Note 33 to the financial statements as of December 31, 2019.

The detail of the debit and credit balances by related company is included in Note 25.a to the condensed interim financial statements and their classification according to maturity and according to the financial effects of maintaining them is as follows:

Classification according to maturity:

	Current	Non-current
Assets		
With stated maturity		
Latin Exploration S.L.U.	-	47,260
Past due		
Petronado S.A.	-	388,153
Not yet due		
-Up to 3 months		
Gasoducto Gasandes (Argentina) S.A.	17,453	-
Total	**17,453**	**435,413**
Liabilities		
With stated maturity		
Not yet due		
-Up to 3 months		
Gasoducto Gasandes (Argentina) S.A.	334	-
Corredor Americano S.A.	89,103	-
Total	**89,437**	**-**

Classification according to the financial effects of maintaining them:

	Debit balances	
	Current	Non-current
In local currency		
Gasoducto Gasandes (Argentina) S.A.	17,453	-
Latin Exploration S.L.U.	-	47,260
Total in local currency	**17,453**	**47,260**
In foreign currency		
Petronado S.A.	-	388,153
Total in foreign currency	**-**	**388,153**
Total	**17,453**	**435,413**

	Credit balances	
	Current	Non-current
In local currency		
Gasoducto Gasandes (Argentina) S.A.	334	-
Corredor Americano S.A.	89,103	-
Total	**89,437**	**-**

	Debit balances	
	Current	Non-current
Noninterest-bearing		
Latin Exploration S.L.U.	47,260	-
Gasoducto Gasandes (Argentina) S.A.	17,453	-
Petronado S.A.	-	388,153
Total	**64,713**	**388,153**

	Credit balances	
	Current	Non-current
Noninterest-bearing		
Gasoducto Gasandes (Argentina) S.A.	334	-
Corredor Americano S.A.	89,103	-
Total	**89,437**	**-**

5) There are no, and there have not been during the period trade receivables or loans to directors, members of the Supervisory Committee or their relatives up to and including the second degree of kinship.

6) It is the Company's policy to make continuous inventory samplings on different dates within the period for its inventories from oil and gas.There are no significant inventories that have been idle for more than one year that are not provisioned.

7) As of June 30, 2020 there are no interests in other companies exceeding the limit set forth in Section 31 of Law No. 19,550 and General Resolution No. 622/13 of the CNV.

8) The recoverable value considered for inventories and property, plant and equipment was as follows:

For inventories corresponding to oil and gas, the net realizable value was considered, which is defined as the sale price less direct cost of sales.
For property, plant and equipment it is indicated in note 7 to the financial statements.

9) Below there is a detail of insurance in force at the end of the period:

Insured asset	Risk covered	Insured amount in thousands
Equipment, facilities and pipelines used in the exploitation and transportation	Material damages	US$606,914
Damages to third parties caused by the Company's activities or by the equipment, facilities and pipelines used for exploration and production	Civil liability on shore	US$15,381
	Civil liability: port terminal operator	US$15,000
Wells	Control, redrilling, spills	US$40,908
Technical insurance	Computer equipment	US$622
Industrial policy	Offices of Buenos Aires, Río Gallegos and Cipolletti	$77,893
Vehicles	Civil liability to third parties and damages	$14,297

Current risks are considered sufficiently covered by the insurance purchased.

10.a) The Company has recorded provisions because it is subject to several claims, suits and other legal proceedings arising in the ordinary course of business. The liabilities that may derive from those claims, suits and other legal proceedings cannot be estimated with certainty. The Company analyzes the status of each contingency and assesses the potential financial exposure, for which it prepares estimates with the assistance of legal counsel. Same do not exceed 2% of its assets.

10.b) There are no other contingent situations the probability of occurrence of which is not remote and the impact of which has not been accounted for in these financial statements.

11) There are no irrevocable advances on account of future subscriptions.

12) There are no unpaid cumulative dividends of preferred shares.

13) The Company is subject to restrictions in respect of the distribution of dividends as from the issue of class A Notes and the issue of the bank loans referred to in Note 21 to the financial statements as of December 31, 2019

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“Free translation from the original in Spanish for publication in Argentina”

REVIEW REPORT ON THE CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders, President and Directors of
Compañía General de Combustibles S.A.
Legal address: Bonpland 1745
Tax ID: 30-50673393-2

Introduction

We have reviewed the accompanying condensed interim financial statements of Compañía General de Combustibles S.A. (hereinafter the “Company"), including the condensed interim statement of financial position as of June 30, 2020, the condensed interim statement of comprehensive income for the three and six months period ended June 30, 2020, and the condensed interim statement of changes in equity and cash flows for the six months period then ended, and the selected explanatory notes.

The balances and other information corresponding to the fiscal year 2019 and to its interim periods are an integral part of the financial statements mentioned above; therefore, they must be considered in connection with these financial statements.

Responsibility of the Board of Directors

The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and included by the National Securities Commission (CNV) in its regulations, as approved by the International Accounting Standards Board (IASB), and is therefore responsible for the preparation and presentation of the condensed interim financial statements mentioned in the first paragraph, in accordance with International Accounting Standard 34 “Interim Financial Information” (IAS 34).

Scope of our review

Our review was limited to the application of the procedures established by International Standard on Review Engagements (ISRE) 2410 “Review of interim financial information performed by the independent auditor of the entity", adopted as a review standard in Argentina through Technical Pronouncement No. 33 of the FACPCE, as approved by the International Auditing and Assurance Standards Board (IAASB). A review of interim financial information consists of making inquiries of the Company's personnel responsible for preparing the information included in the condensed interim financial statements and performing analytical and other review procedures. Such a review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the financial position, the comprehensive income, or the cash flows of the Company.

Conclusion

On the basis of our review, nothing has come to our attention that makes us think that the condensed interim financial statements mentioned in the first paragraph of this report have not been prepared, in all material respects, in accordance with International Accounting Standard 34.

Report on compliance with current regulations

In accordance with current regulations, we report that, in connection with Compañía General de Combustibles S.A.:

a) as mentioned in note 2, the condensed interim financial statements of Compañía General de Combustibles S.A. stem from accounting records kept in all formal respects in conformity with legal regulations; except for:
    i) they have not been transcribed into the “Balance" book, and
    ii) the journal entries corresponding to the three months period ended June 2020 have not been transcribed into the “Journal” book.

b) we have read the overview and the additional information to the notes to the condensed interim financial statements required by article 12°, Chapter III, Title IV of the rules issued by the National Securities Commission, on which, as regards those matters that are within our field of competence, we have no observations to make;

c) as of June 30, 2020, the debt accrued by Compañía General de Combustibles S.A. in favor of the Argentine Integrated Social Security System, according to the Company's accounting records, amounted to $ 29,828,034, none of which was claimable at that date.

Autonomous City of Buenos Aires, August 11, 2020

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

Hernán Rodríguez Cancelo

Supervisory Committee's Report

To the shareholders of Compañía General de Combustibles S.A.

In our capacity as members of the Supervisory Committee of Compañía General de Combustibles S.A., according to the provisions of Section 294, paragraph 5 of General Companies Law No. 19,550 ("Law No. 19,550) and the regulatory provisions on accounting information of the *Comisión Nacional de Valores* (Securities Commission) and the Buenos Aires Stock Exchange, we have reviewed, with the scope described in section II below, the documents specified in section I below. The preparation and issuance of such documents are the responsibility of the Company's Board of Directors in the exercise of its exclusive functions. Our responsibility is to report on such documents on the basis of the work performed with the scope mentioned in section II.

I. Documents reviewed

a) Interim statement of financial position as of June 30, 2020.

b) Interim statement of comprehensive income for the quarter ended June 30, 2020.

c) Interim statement of changes in shareholders' equity for the quarter ended June 30, 2020.

d) Interim statement of cash flows for the quarter ended June 30, 2020.

e) Notes to the condensed financial statements for the quarter ended June 30, 2020.

f) Overview and additional information to the Notes to the Condensed Financial Statements as of June 30, 2020, as required by section 1, paragraph b.2), chapter I, title IV of the rules of the *Comisión Nacional de Valores* (Securities Commission or "CNV") (n.t. 2013) and by section 12, chapter III, title IV of the CNV rules (n.t. 2013), respectively.

II. Scope of the review

Our review was carried out in accordance with the statutory audit standards in force in the Republic of Argentina. Those standards require the review of financial statements to be made according to the audit standards in force for the review of condensed interim financial statements set forth by Technical Resolution No. 33 of the Argentine Federation of Professional Councils in Economic Sciences and therefore it does not include all necessary procedures to express an opinion on the Company's financial position, comprehensive results, changes in shareholders' equity and cash flows.

To perform our professional work on the documents detailed in chapter I, we have taken into account the limited review made by the external auditors, Price Waterhouse & Co. S.R.L., who issued their report on August 11, 2020. Our task included the review of the work, the nature, scope and timing of the procedures applied, and of the results of the review made by such professionals.

The above referred limited review standards consist mainly in applying analytical procedures in respect of the amounts included in the financial statements and making global checks and inquiries to the Company's employees responsible for the preparation of the information included in the financial statements. The scope under such rules is substantially reduced as compared to the application of all auditing procedures necessary to be able to issue a professional opinion on the financial statements considered as a whole. Therefore, we express no such opinion.

In connection with the overview and the additional information to the notes to the condensed interim financial statements required by section 1, paragraph b.2), chapter i, title iv of the CNV rules (n.t. 2013) and by section 12, chapter iii, title iv of the CNV rules (n.t. 2013), we have verified that these documents contain the information required by section 1, paragraph b.2), chapter i, title iv of the CNV rules (n.t. 2013) and by section 12, chapter iii, title iv of the CNV rules (n.t. 2013), being all statements on the economic environment in which the Company has operated, business management and future events included in such documents, which are the exclusive responsibility of the Company's Board of Directors.

In addition, we have verified in respect of numerical accounting data, as regards those matters that are within our competence, that such data have been derived from the Company's accounting records or other relevant documentation. Our review did not include the evaluation of management, selling or production criteria, which are the exclusive responsibility of the Board of Directors.

III. Statement of the supervisory committee

On the basis of the work performed, as stated in chapter II of this report, which did not include the application of all procedures necessary to allow us to express an opinion on the reasonability of the financial statements subject to this review, we consider that we are in a position to inform that:

a) The significant events and circumstances of which we have become aware and that are not affected by uncertainties are considered in these financial statements; and

b) We have not become aware of any significant amendment that should be made to the condensed interim financial statements of Compañía General de Combustibles S.A. identified in paragraphs a) to e) of chapter I of this report for them to be presented according to International Accounting Standard 34; and in respect of the overview and the additional information to the notes to the condensed interim financial statements required by section 1, paragraph b.2), chapter i, title iv of the CNV rules (n.t. 2013) and by section 12, chapter iii, title iv of the CNV rules (n.t. 2013) mentioned in paragraph f) of chapter I, as regards those matters that are within our competence, we have no remarks to make.

In compliance with the legal provisions in force, we inform that:

a) Given the measures adopted by the National Government in connection with the preventive and mandatory social distancing to protect the population and fight Coronavirus mentioned in Note 1.2), these condensed interim financial statements as of June 30, 2020, have not yet been transcribed in the Balance Book and for the same reason the Journal Book is updated until March, 2020.

b) In exercise of our legality control functions, we have applied during the period the procedures described in section 294 of Law No. 19,550 that we have considered necessary according to the circumstances, not having any remarks to make thereon.

City of Buenos Aires, August 11th 2020.

Carlos Oscar Bianchi
For the Supervisory Committee

ISSUER

Compañía General de Combustibles S.A.
Bonpland 1745
(C1414CMU) Ciudad Autónoma de Buenos Aires
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