FitchRatings

Corporates
Energy (Oil & Gas)
Argentina

Petroquimica Comodoro Rivadavia S.A.

Petroquimica Comodoro Rivadavia S.A.'s (PCR; B–/Stable) ratings reflect its limited oil production size, concentration in the cement business in Argentina's Patagonia region and exposure to regulatory risks in the Argentine electric industry. These risks are partially offset by its Ecuadorian oil operations, which cover its hard-currency consolidated interest expense. Fitch Ratings estimates that PCR's ex-Argentine EBITDA will cover this expense over the rating horizon, mitigating the impact of capital controls.

Key Rating Drivers

Small Production Profile: PCR's ratings reflect its small and concentrated production profile of below 20,000 barrels of oil equivalent per day (boed), which aligns with the low end of the 'B' rating category. The company holds exploration and production interests in nine blocks in Argentina and six in Ecuador. Its proven reserves (1P) and production are concentrated in Argentina at 69% and 53%, respectively, and in Ecuador at 31% and 47%, respectively.

PCR has 1P reserves of 17 million boe and a reserve life of 2.7 years. Fitch expects PCR to achieve around 18,000 boed in production and 25 million boe in 1P reserves with new operations. The next rating category requires production above 45,000 and a reserve life that exceeds seven years.

Diversified Business Profile: PCR operates across three segments: oil & gas, renewables, and cement. In 2025, Fitch estimates that PCR's EBITDA is will reach USD222 million, with oil & gas accounting for 54%, renewables 40%, and cement 6%. The renewables segment has a moderate exposure to Compania Administradora del Mercado Mayorista Electrico Sociedad Anonima (CAMMESA), which accounts for 58% of its revenues. Oil & gas and renewables will drive growth due to increased drilling in Argentina and Ecuador as well as the commercial operation date (COD) of three wind farms in Argentina. Fitch projects the renewables segment EBITDA will maintain around 40% of total EBITDA, up from 35% over the last three years.

Adequate Leverage: Fitch anticipates PCR's gross leverage, defined as the total debt to EBITDA ratio, will decrease to approximately 2.9x at year-end (YE) 2025, compared with 4.1x at YE 2023. Fitch estimates PCR's consolidated debt will be around USD533 million at YE 2024. Gross leverage is expected to be at or below 3.0x during 2024 to 2026. Additionally, the EBITDA to interest expense ratio is estimated to remain above 5.0x throughout the rating horizon.

Strengthening Geographic Diversification: Fitch forecasts that EBITDA from Ecuador will cover hard-currency debt service by at least 2.5x over the rating horizon, which is an improvement from Fitch's previous expectations. The company has boosted activity within Ecuador with the addition of the Saywa and VRH-Este exploratory blocks. As of 3Q24, oil & gas production in Ecuador has become nearly on par with that of Argentina at 47%, compared to 40% at YE 2023. The Ecuadorian operation could become a more significant driver if it increases production and reserves above the thresholds for the rating category.

Ratings

Long-Term IDR	B–
Long-Term Local Currency IDR	B–
Outlooks	
Long-Term Foreign Currency IDR	Stable
Long-Term Local Currency IDR	Stable

Click here for the full list of ratings

ESG and Climate

Highest ESG Relevance Scores

Environmental	3
Social	3
Governance	3

2035 Climate Vulnerability Signal: 54

Applicable Criteria

Corporate Rating Criteria (November 2023)

Country Ceiling Criteria (July 2023)

Sector Navigators – Addendum to the Corporate Rating Criteria (June 2024)

Country-Specific Treatment of Recovery Ratings Criteria (March 2023)

Related Research

Global Corporates Macro and Sector Forecasts – September 2024 (September 2024)

Latin America Oil & Gas — Relative Credit Analysis 2024 (August 2024)

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Financial Summary

(ARS000)	2021	2022	2023	2024F	2025F	2026F
Gross revenue	43,933,843	80,123,969	246,135,538	670,950,867	1,057,905,538	1,378,732,878
EBITDA margin (%)	47.8	46.3	47.6	43.5	46.4	46.6
EBITDA interest coverage (x)	4.3	4.5	3.6	13.7	11.1	8.7
EBITDA leverage (x)	2.2	2.7	4.1	2.7	2.9	2.8
EBITDA net leverage (x)	1.2	1.9	3.9	2.2	2.3	1.8

F – Forecast.
Source: Fitch Ratings, Fitch Solutions

Rating Derivation Relative to Peers

PCR's closest peer is Capex S.A. (B-/Stable). Both companies derive a majority of their revenues from energy and electricity, while PCR benefits from its cement sector. Production is expected to remain relatively flat for both companies, with PCR at an average of 18,000 boed compared to Capex's 17,500 boed. Pampa Energia S.A. (B-/Stable), an integrated energy company in Argentina, averages 100,000 boed in oil & gas.

PCR, Capex and Pampa's electricity revenues are all exposed to CAMMESA. However, PCR benefits from Ecuadorian cash flow, oil exports from Argentina, and cash held abroad, which cover their hard currency interest expense by 2.5x for the next four years. This mitigates risk associated with Argentina's challenging economic environment.

Additionally, PCR's electricity revenues, with CAMMESA as the offtaker, are contracted through the RenovAr program, backed by a guarantee from FODER (Argentina Renewable Fund Guarantee). Furthermore, the Mataco/San Jorge plant benefits from an additional guarantee from the World Bank of up to USD21.5 million.

PCR's gross leverage is expected to average 2.7x during the rating horizon, compared to Capex's 2.8x. Pampa is expected to have the lowest leverage ratio amongst Argentine generation companies, with an average of 1.6x over the rating horizon.

Navigator Peer Comparison

	IDR/Outlook	Operating Environment	Management and Corporate Governance	Diversification and Environmental Risk	Proved Reserves	Cash Flow Cycle	Operational Scale	Profitability	Financial Structure	Financial Flexibility
Capex S.A.	B-/Stable	b	bbb	b+	b-	b	b-	b	bb	b-
Frontera Energy Corporation	B/Stable	bb+	bb+	b	b	bb	b	b+	bb	bb
GeoPark Limited	B+/Stable	bb+	bbb	bb	b	bbb-	b	bb	bbb-	bbb-
Gran Tierra Energy Inc.	B+/Stable	bb+	bbb	bb-	b	bb	b+	bb-	bb	bb+
Petroquimica Comodoro Rivadavia S.A.	B-/Stable	b+	bb+	bb	b	bb	b-	b+	bb-	bb-

Source: Fitch Ratings.

Relative Importance of Factor: Higher / Moderate / Lower

Name	IDR/Outlook	Operating Environment	Management and Corporate Governance	Diversification and Environmental Risk	Proved Reserves	Cash Flow Cycle	Operational Scale	Profitability	Financial Structure	Financial Flexibility
Capex S.A.	B-/Stable	+1	+7	+2	0	+1	0	+1	+4	0
Frontera Energy Corporation	B/Stable	+4	+4	0	0	+3	0	+1	+3	+3
GeoPark Limited	B+/Stable	+3	+5	+2	-1	+4	-1	+2	+4	+4
Gran Tierra Energy Inc.	B+/Stable	+3	+5	+1	-1	+2	0	+1	+2	+3
Petroquimica Comodoro Rivadavia S.A.	B-/Stable	+2	+5	+4	+1	+4	0	+2	+3	+3

Source: Fitch Ratings.

Factor Score Relative to IDR: Worse positioned than IDR / Within one notch of IDR / Better positioned than IDR

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- Net production of 45,000 boed while maintaining a 1P reserve life of at least seven years;
- Sustained total debt to EBITDA ratio of 3.0x over the rating horizon.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- A downgrade to the country ceiling of Ecuador;
- The sum of Ecuadorian EBITDA, offshore cash and export EBITDA fails to cover hard currency interest expense;
- Significant delays in CAMMESA/FODER payments that materially affect working capital;
- A sustained deterioration of credit metrics that results in a total debt to EBITDA ratio of 4.0x or more;
- A weakening of liquidity.

Liquidity and Debt Structure

Adequate Liquidity: As of 2Q24, PCR reported a cash balance of around USD170 million, with more than 85% held outside of Argentina. Fitch believes that with a strong cash balance and cash flow from operations, the company will adequately cover its interest expense and upcoming maturities. Additionally, Fitch believes that the company's maturity profile is manageable and that it has strong access to local banks if additional liquidity is needed.

ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

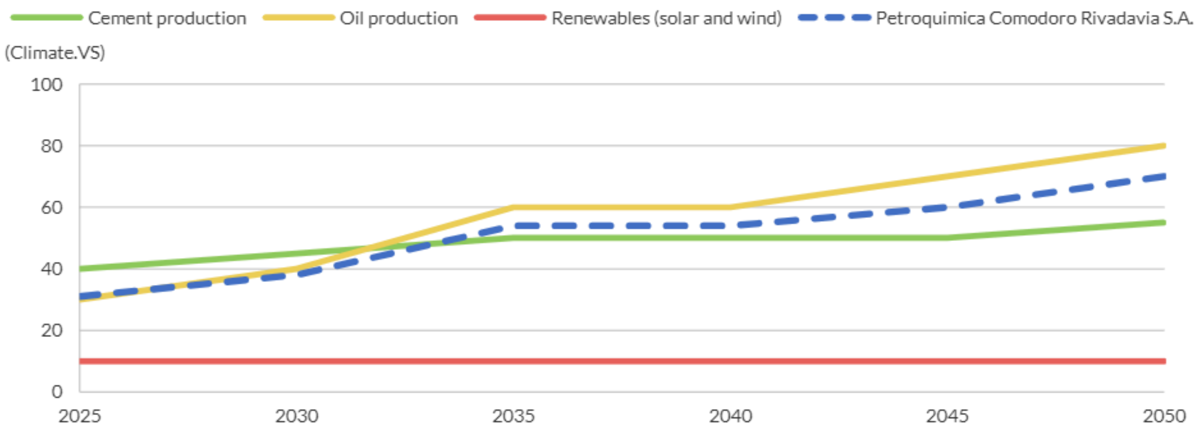
Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to credit-relevant climate transition risks and, therefore, require additional consideration of these risks in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). For more information on Climate.VS, see Fitch's Corporate Rating Criteria. For more detailed, sector-specific information on how Fitch perceives climate-related transition risks, see Climate Vulnerability Signals for Non-Financial Corporate Sectors.

The YE 2023 revenue-weighted Climate.VS for PCR for 2035 is 54 out of 100, which suggests a moderate exposure to climate-related risks in that year. The recent addition of three renewable plants is expected to slightly offset the company's oil & gas revenues to below 60% of the total by 2025, thereby improving PCR's Climate.VS score. For further information on how Fitch perceives climate-related risks in the oil & gas sector, see Utilities – Long-Term Climate Vulnerability Signals Update.

Climate.VS Evolution

As of Dec 31, 2023



Source: Fitch Ratings

Liquidity and Debt Maturities

Petroquimica Comodoro Rivadavia S.A.

Cash and Maturities Report

(USD Mil.)	June 30, 2023	June 30, 2024
Total cash and cash equivalents	25	8
Short-term investments	148	162
Less not readily available cash and cash equivalents	—	—
Fitch-defined readily available cash and cash equivalents	**173**	**171**
Availability under committed lines of credit	—	—
Total liquidity	173	171
LTM EBITDA after associates and minorities	219	222
LTM FCF	-225	-41

Source: Fitch Ratings, Fitch Solutions, PCR

Scheduled Debt Maturities

(USD Mil.)	June 30, 2023	June 30, 2024
2024		175
2025		89
2026		153
2027		114
2028		63
Thereafter		
Total		**594**

Source: Fitch Ratings, Fitch Solutions, PCR

Key Assumptions

- Fitch's end-of-period and average foreign exchange rate for Argentine pesos to U.S. dollars;
- Average working interest production of 18,000boed for the years 2024 to 2026;
- Fitch's price deck for Brent crude oil per barrel of USD80 in 2024, USD70 in 2025 and USD65 in 2026 and 2027;
- Cement sales growth aligned with Fitch's real GDP growth expectations for Argentina;
- Total capex of USD493 million from 2024 to 2026, with an annual average of USD164 million;
- Annual average dividends of USD10 million paid each year from 2024 to 2027;
- Installed capacity of 527MW throughout the rating horizon;
- Renewables have 98% availability and a 50% capacity factor, with a monomic price of USD53/MWh in 2024;
- CAMMESA and FODER payments are made on time.

Financial Data

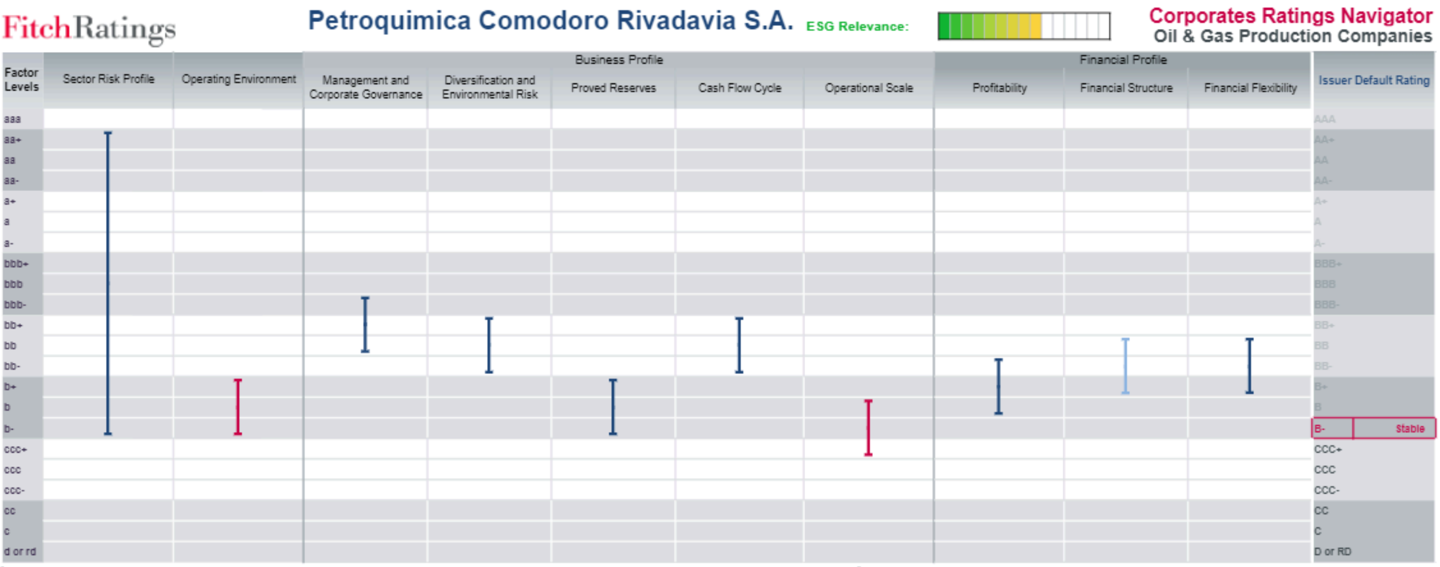
(ARS000)	2021	2022	2023	2024F	2025F	2026F
Summary income statement						
Gross revenue	43,933,843	80,123,969	246,135,538	670,950,867	1,057,905,538	1,378,732,878
Revenue growth (%)	19.0	82.4	207.2	172.6	57.7	30.3
EBITDA before income from associates	20,980,912	37,114,039	117,263,986	291,772,957	491,133,249	642,602,797
EBITDA margin (%)	47.8	46.3	47.6	43.5	46.4	46.6
EBITDA after associates and minorities	20,980,912	37,114,039	117,263,986	291,772,957	491,133,249	642,602,797
EBIT	14,055,553	21,657,497	56,949,362	99,320,414	292,093,082	429,225,740
EBIT margin (%)	32.0	27.0	23.1	14.8	27.6	31.1
Gross interest expense	-2,904,673	—	-1,412,450	-21,228,556	-44,392,691	-73,887,311
Pretax income including associate income/loss	11,017,144	13,007,350	-28,208,680	78,091,858	247,700,391	355,338,429
Summary balance sheet						
Readily available cash and equivalents	20,387,169	29,973,559	26,111,310	120,969,252	318,592,109	624,702,265
Debt	45,856,550	100,378,900	484,729,875	773,930,726	1,423,905,502	1,786,268,551
Net debt	25,469,381	70,405,341	458,618,565	652,961,473	1,105,313,393	1,161,566,286
Summary cash flow statement						
EBITDA	20,980,912	37,114,039	117,263,986	291,772,957	491,133,249	642,602,797
Cash interest paid	-4,845,176	-8,254,253	-32,765,517	-21,228,556	-44,392,691	-73,887,311
Cash tax	-1,115,428	-4,897,671	-11,185,467	-7,028,267	-22,293,035	-31,980,459
Dividends received less dividends paid to minorities (inflow/outflow)	—	—	—	—	—	—
Other items before FFO	1,502,489	72,989	-28,074,167	—	—	—
FFO	16,579,234	24,251,065	45,238,835	263,516,134	424,447,523	536,735,027
FFO margin (%)	37.7	30.3	18.4	39.3	40.1	38.9
Change in working capital	351,767	-6,688,639	10,197,034	-65,814,406	-59,948,853	-49,704,093
CFO (Fitch-defined)	16,931,001	17,562,426	55,435,869	197,701,728	364,498,670	487,030,933
Total non-operating/nonrecurring cash flow	—	—	—	—	—	—
Capex	-5,114,735	-49,602,653	-116,216,846	—	—	—
Capital intensity (capex/revenue) (%)	11.6	61.9	47.2	—	—	—
Common dividends	-680,383	-2,384,743	-7,649,852	—	—	—
FCF	11,135,883	-34,424,970	-68,430,829	—	—	—
FCF margin (%)	25.3	-43.0	-27.8	—	—	—
Net acquisitions and divestitures	—	2,157,077	-4,981,118	—	—	—
Other investing and financing cash flow items	-8,990,017	-3,886,562	42,747,777	—	—	—
Net debt proceeds	1,481,267	27,430,043	55,532,838	289,200,851	649,974,776	362,363,049
Net equity proceeds	—	3,280,678	—	—	—	—
Total change in cash	3,627,133	-5,443,734	24,868,668	94,857,942	197,622,857	306,110,155
Calculations for forecast publication						
Capex, dividends, acquisitions and other items before FCF	-5,795,118	-49,830,319	-128,847,816	-121,817,493	-235,953,576	-281,241,551
FCF after acquisitions and divestitures	11,135,883	-32,267,893	-73,411,947	75,884,235	128,545,094	205,789,383
FCF margin after net acquisitions (%)	25.3	-40.3	-29.8	11.3	12.2	14.9
Gross Leverage ratios (x)						
EBITDA leverage	2.2	2.7	4.1	2.7	2.9	2.8
CFO-capex/debt	25.8	-31.9	-12.5	10.7	10.0	12.5
Net Leverage ratios (x)						
EBITDA net leverage	1.2	1.9	3.9	2.2	2.3	1.8
CFO-capex/net debt	46.4	-45.5	-13.3	12.7	12.9	19.3
Coverage ratios (x)						
EBITDA interest coverage	4.3	4.5	3.6	13.7	11.1	8.7

CFO – Cash flow from operations.
Source: Fitch Ratings, Fitch Solutions

How to Interpret the Forecast Presented

The forecast presented above is based on Fitch Ratings' internally produced, conservative rating case forecast. It does not represent the forecast of the rated issuer. The forecast set out above is only one component used by Fitch Ratings to assign a rating or determine a rating outlook, and the information in the forecast reflects material but not exhaustive elements of Fitch Ratings' rating assumptions for the issuer's financial performance. As such, it cannot be used to establish a rating, and it should not be relied on for that purpose. Fitch Ratings' forecasts are constructed using a proprietary internal forecasting tool, which employs Fitch Ratings' own assumptions on operating and financial performance that may not reflect the assumptions that you would make. Fitch Ratings' own definitions of financial terms such as EBITDA, debt or free cash flow may differ from your own such definitions. Fitch Ratings may be granted access, from time to time, to confidential information on certain elements of the issuer's forward planning. Certain elements of such information may be omitted from this forecast, even where they are included in Fitch Ratings' own internal deliberations, where Fitch Ratings, at its sole discretion, considers the data may be potentially sensitive in a commercial, legal or regulatory context. The forecast (as with the entirety of this report) is produced strictly subject to the disclaimers set out at the end of this report. Fitch Ratings may update the forecast in future reports but assumes no responsibility to do so. Original financial statement data for historical periods is processed by Fitch Solutions on behalf of Fitch Ratings. Key financial adjustments and all financial forecasts credited to Fitch Ratings are generated by rating agency staff.

Ratings Navigator



Bar Chart Legend:	
Vertical Bars = Range of Rating Factor	Bar Arrows = Rating Factor Outlook
Bar Colors = Relative Importance	⇧ Positive
Higher Importance	⇩ Negative
Average Importance	⇳ Evolving
Lower Importance	▭ Stable

FitchRatings

Petroquimica Comodoro Rivadavia S.A.

Corporates Ratings Navigator
Oil & Gas Production Companies

Operating Environment

bb-	Economic Environment	bb	Below average combination of countries where economic value is created and where assets are located.
b+	Financial Access	b	Weak combination of issuer specific funding characteristics and of the strength of the relevant local financial market.
	Systemic Governance	b	Systemic governance (eg rule of law, corruption; government effectiveness) of the issuer's country of incorporation consistent with 'b'.
b-			
ccc+			

Management and Corporate Governance

bbb	Management Strategy	bbb	Strategy may include opportunistic elements but soundly implemented.
bbb-	Governance Structure	bb	Board effectiveness questionable with few independent directors. "Key person" risk from dominant CEO or shareholder.
bb+	Group Structure	bb	Complex group structure or non-transparent ownership structure. Related-party transactions exist but with reasonable economic rationale.
bb	Financial Transparency	bbb	Good quality reporting without significant failing. Consistent with the average of listed companies in major exchanges.
bb-			

Diversification and Environmental Risk

bbb-	Diversification	bb	Upstream E&P companies with fewer projects. Vulnerable to price volatility, cost overruns and production delays.
bb+	Regulatory Risk	bb	Above average exposure to environmental regulations and/or high remediation costs relative to projected cash flows.
bb	Environmental Risk	bb	Only scope 1 and 2 emission reduction goals with less developed emission reduction plans or targets. Moderate to low exposure to natural gas or low carbon intensity technologies.
bb-			
b+			

Proved Reserves

bb-	Reserve Base (boe)	b	<0.4 billion or low reserve or low inventory life
b+			
b			
b-			
ccc+			

Cash Flow Cycle

bbb-	Mid-Cycle Unit Economics	bb	Neutral to negative CFO - capex across the cycle.
bb+			
bb			
bb-			
b+			

Operational Scale

b+	Production (thousand boe/day)	b	<75
b			
b-			
ccc+			
ccc			

Profitability

bb	EBITDA ($)	b	$750 million
bb-	Capex/CFO (%)	bb	Capex materially covered by cash flow from producing projects in most periods but with temporary deviation due to lumpy capex.
b+			
b			
b-			

Financial Structure

bb+	EBITDA Leverage	bb	3.0x
bb	EBITDA Net Leverage	bb	2.8x
bb-	FFO Leverage	bb	3.3x
b+			
b			

Financial Flexibility

bb+	Financial Discipline	bb	Financial policies in place but flexibility in applying them could lead to temporarily exceeding downgrade guidelines.
bb	Liquidity	bb	Liquidity ratio around 1.0x. Less smooth debt maturity or concentrated funding.
bb-	EBITDA Interest Coverage	b	5.0x
b+	FX Exposure	bb	FX exposure on profitability and/or debt/cash flow match. Some hedging in place but only partly effective.
b			

How to Read This Page: The left column shows the three-notch band assessment for the overall Factor, illustrated by a bar. The right column breaks down the Factor into Sub-Factors, with a description appropriate for each Sub-Factor and its corresponding category.

Credit-Relevant ESG Derivation

Petroquimica Comodoro Rivadavia S.A. has 12 ESG potential rating drivers

- Emissions from OGP production
- Energy use in OGP operations
- Water management (e.g. usage levels, recycling capacity)
- Waste and material handling; operations proximity to environmentally sensitive areas
- Hydrocarbon reserves exposure to present/future regulation and environmental costs
- Operations proximity to areas of conflict or indigenous lands

Showing top 6 issues

			Overall ESG
key driver	0	issues	5
driver	0	issues	4
potential driver	12	issues	3
not a rating driver	1	issues	2
	1	issues	1

For further details on Credit-Relevant ESG scoring, see page 3.

FitchRatings

Petroquimica Comodoro Rivadavia S.A.

Corporates Ratings Navigator
Oil & Gas Production Companies

Credit-Relevant ESG Derivation

Petroquimica Comodoro Rivadavia S.A. has 12 ESG potential rating drivers

- Petroquimica Comodoro Rivadavia S.A. has exposure to emissions regulatory risk but this has very low impact on the rating.
- Petroquimica Comodoro Rivadavia S.A. has exposure to energy productivity risk but this has very low impact on the rating.
- Petroquimica Comodoro Rivadavia S.A. has exposure to water management risk but this has very low impact on the rating.
- Petroquimica Comodoro Rivadavia S.A. has exposure to waste and impact management risk but this has very low impact on the rating.
- Petroquimica Comodoro Rivadavia S.A. has exposure to extreme weather events but this has very low impact on the rating.
- Petroquimica Comodoro Rivadavia S.A. has exposure to land rights/conflicts risk but this has very low impact on the rating.

Showing top 6 issues

			ESG Relevance to Credit Rating
key driver	0	issues	5
driver	0	issues	4
potential driver	12	issues	3
not a rating driver	1	issues	2
	1	issues	1

Environmental (E) Relevance Scores

General Issues	E Score	Sector-Specific Issues	Reference	E Relevance
GHG Emissions & Air Quality	3	Emissions from OGP production	Diversification and Environmental Risk; Profitability	5
Energy Management	3	Energy use in OGP operations	Diversification and Environmental Risk; Profitability	4
Water & Wastewater Management	3	Water management (e.g. usage levels, recycling capacity)	Diversification and Environmental Risk; Profitability	3
Waste & Hazardous Materials Management; Ecological Impacts	3	Waste and material handling; operations proximity to environmentally sensitive areas	Diversification and Environmental Risk; Profitability	2
Exposure to Environmental Impacts	3	Hydrocarbon reserves exposure to present/future regulation and environmental costs	Diversification and Environmental Risk; Profitability; Financial Flexibility	1

Social (S) Relevance Scores

General Issues	S Score	Sector-Specific Issues	Reference	S Relevance
Human Rights, Community Relations, Access & Affordability	3	Operations proximity to areas of conflict or indigenous lands	Diversification and Environmental Risk; Profitability; Financial Flexibility	5
Customer Welfare - Fair Messaging, Privacy & Data Security	1	n.a.	n.a.	4
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction	Profitability; Financial Structure; Financial Flexibility	3
Employee Wellbeing	2	Worker safety and accident prevention	Diversification and Environmental Risk; Profitability; Financial Flexibility	2
Exposure to Social Impacts	3	Social resistance to major projects or operations that leads to delays and cost increases	Production Size; Profitability; Financial Structure; Financial Flexibility	1

Governance (G) Relevance Scores

General Issues	G Score	Sector-Specific Issues	Reference	G Relevance
Management Strategy	3	Strategy development and implementation	Management and Corporate Governance	5
Governance Structure	3	Board independence and effectiveness; ownership concentration	Management and Corporate Governance	4
Group Structure	3	Complexity, transparency and related-party transactions	Management and Corporate Governance	3
Financial Transparency	3	Quality and timing of financial disclosure	Management and Corporate Governance	2
				1

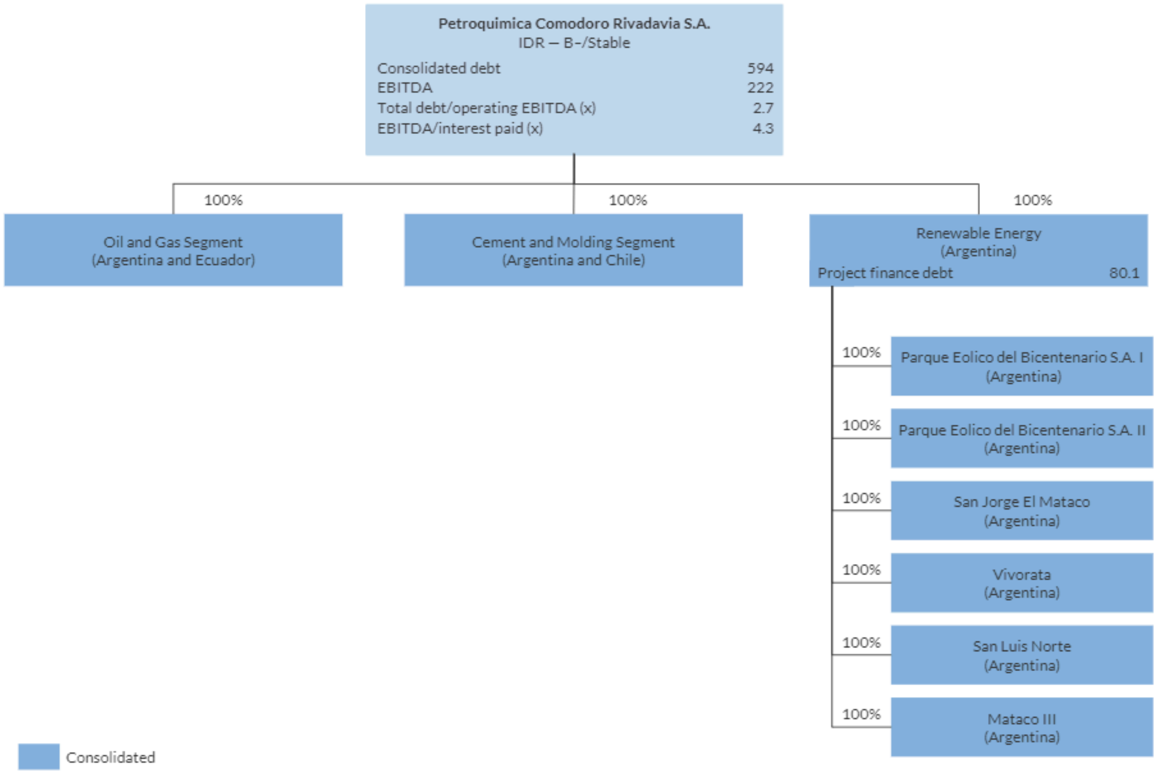
How to Read This Page
ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.
The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.
The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact.
Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

CREDIT-RELEVANT ESG SCALE
How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

Simplified Group Structure Diagram

Organizational Structure
(USD Mil., as of the LTM ended June 30, 2024)



IDR – Issuer Default Rating. LTM – Last 12 months.
Source: Fitch Ratings, Fitch Solutions, PCR

Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	Gross revenue (USD Mil.)	EBITDA margin (%)	EBITDA interest coverage (x)	EBITDA leverage (x)	EBITDA net leverage (x)
Petroquimica Comodoro Rivadavia S.A.	B-						
	B-	2023	305	47.6	3.6	4.1	3.9
	B-	2022	453	46.3	4.5	2.7	1.9
	B-	2021	428	47.8	4.3	2.2	1.2
GeoPark Limited	B+						
	B+	2023	757	57.3	15.8	1.2	0.8
	B+	2022	1,050	52.6	15.1	0.9	0.7
	B+	2021	689	41.2	6.7	2.4	2.0
Gran Tierra Energy Inc.	B+						
	B	2023	637	62.1	9.0	1.4	1.3
	B	2022	711	67.5	11.1	1.2	0.9
		2021	474	53.1	5.0	2.7	2.5
Frontera Energy Corporation	B						
	B	2023	1,149	37.2	9.8	1.2	0.8
	B	2022	1,271	50.1	15.2	0.8	0.3
	B	2021	894	47.2	10.0	1.3	0.7
Capex S.A.	B-						
	CCC+	2023	408	45.3	9.0	1.6	1.5
	CCC+	2022	346	51.5	6.7	1.4	1.0
	CCC+	2021	192	45.3	3.3	3.1	2.3
Pampa Energia S.A.	B-						
	B-	2023	636	38.4	2.3	5.9	2.9
	B-	2022	1,367	47.9	5.3	2.5	1.4
	B-	2021	1,403	53.5	6.1	1.9	1.1

Source: Fitch Ratings, Fitch Solutions

Fitch Adjusted Financials

(ARS000, as of December 31, 2023)	Notes and formulas	Standardized values	Lease treatment	Other adjustments	Adjusted values
Income statement summary					
Revenue		246,135,538	—	—	246,135,538
EBITDA	(a)	119,288,603	-1,937,005	-87,612	117,263,986
Depreciation and amortization		-61,704,166	1,389,542	—	-60,314,624
EBIT		57,584,437	-547,463	-87,612	56,949,362
Balance sheet summary					
Debt	(b)	484,729,875	—	—	484,729,875
Of which other off-balance-sheet debt		—	—	—	—
Lease-equivalent debt		—	—	—	—
Lease-adjusted debt		484,729,875	—	—	484,729,875
Readily available cash and equivalents	(c)	26,111,310	—	—	26,111,310
Not readily available cash and equivalents		—	—	—	—
Cash flow summary					
EBITDA	(a)	119,288,603	-1,937,005	-87,612	117,263,986
Dividends received from associates less dividends paid to minorities	(d)	—	—	—	—
Interest paid	(e)	-32,765,517	—	—	-32,765,517
Interest received	(f)	—	—	—	—
Preferred dividends paid	(g)	—	—	—	—
Cash tax paid		-11,185,467	—	—	-11,185,467
Other items before FFO		-26,545,144	-1,616,635	87,612	-28,074,167
FFO	(h)	48,792,475	-3,553,640	—	45,238,835
Change in working capital		10,197,034	—	—	10,197,034
CFO	(i)	58,989,509	-3,553,640	—	55,435,869
Non-operating/nonrecurring cash flow		—	—	—	—
Capex	(j)	-116,216,846	—	—	-116,216,846
Common dividends paid		-7,649,852	—	—	-7,649,852
FCF		-64,877,189	-3,553,640	—	-68,430,829
Gross leverage (x)					
EBITDA leverage	b / (a+d)	4.1	—	—	4.1
(CFO-capex)/debt (%)	(i+j) / b	-11.8	—	—	-12.5
Net leverage (x)					
EBITDA net leverage	(b-c) / (a+d)	3.8	—	—	3.9
(CFO-capex)/net debt (%)	(i+j) / (b-c)	-12.5	—	—	-13.3
Coverage (x)					
EBITDA interest coverage	(a+d) / (-e)	3.6	—	—	3.6

CFO – Cash flow from operations
Note: The standardized items presented above are based on Fitch's taxonomy for the given sector and region.
Reported items may not match the Fitch taxonomy, but they are captured into corresponding lines accordingly.
Source: Fitch Ratings, Fitch Solutions, PCR

B+ and Below Considerations

Factors	b+	b	b-	ccc+	ccc	ccc-	cc
Business model	Robust	Sustainable	Intact	Redeemable	Compromised	Disrupted	Irredeemable
Execution risk in strategy	Limited	Moderate	Meaningful	Challenging yet achievable	Uncertain	Highly speculative	Not credible
Cash flow profile	Consistently positive	Neutral to positive	Volatile	Mostly negative	Constantly negative	Accelerating cash outflow	Irreversible outflow
Leverage profile	Clear deleveraging path	Deleveraging capacity	High but sustainable	Significant outlier	Unsustainable	Disproportionate and increasing	Unrecoverable
Governance and financial policy	Committed	Some commitment to deleveraging	Aggressive	Ineffective	Uncommitted	Hostile	Inevitable balance sheet restructuring
Refinancing risk	Limited	Manageable	High	Off market options	Excessive	Unavailable	Imminent
Liquidity	Comfortable	Satisfactory	Limited	Minimal headroom	Poor/partly funded	Unfunded	De facto insolvent

Source: Fitch Ratings

SOLICITATION & PARTICIPATION STATUS

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