UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 20-F

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2020

Commission File Number: 001- 39000

Vista Oil & Gas, S.A.B. de C.V.
(Exact name of registrant as specified in its charter)

N.A.
(Translation of registrant's name into English)

United Mexican States
(Jurisdiction of incorporation or organization)

Calle Volcán 150, Floor 5
Colonia Lomas de Chapultepec, Alcaldía Miguel Hidalgo
Mexico City, 11000
Mexico
(Address of principal executive offices)

Alejandro Cherñacov
Calle Volcán 150, Floor 5
Colonia Lomas de Chapultepec, Alcaldía Miguel Hidalgo
Mexico City, 11000
Mexico
Tel.: + 52 (55) 4166-9000
(Name, telephone, e-mail and/or facsimile number and address of company contact person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Series A Shares	**VISTA**	**New York Stock Exchange***
American Depositary Shares, each representing 1 Series A share, with no par value	**VIST**	**New York Stock Exchange**

* Not for trading, but only in connection with the registration of American Depositary Shares, pursuant to the requirements of the Securities and Exchange Commission.

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

87,851,286 outstanding Series A shares, with no par value.
2 outstanding Series C shares, with no par value.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. ☐ Yes ☒ No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☐	Accelerated Filer	☐	Non-Accelerated Filer	☒
				Emerging Growth Company	☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐	International Financial Reporting Standards as issued by the International Accounting Standards Board ☒	Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. ☐ Item 17 ☐ Item 18

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (§ 15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

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PRESENTATION OF INFORMATION

This document comprises the annual report on Form 20-F for the year ended December 31, 2020 of Vista Oil & Gas, S.A.B. de C.V. ("Vista").

References

Unless otherwise indicated or the context otherwise requires, (i) the terms "Vista," "Company," "we," "us," and "our," when used in the context of (a) following the Initial Business Combination (as defined herein), refer to Vista Oil & Gas, S.A.B. de C.V., a corporation (*sociedad anónima bursátil de capital variable*) organized under the laws of Mexico, and its consolidated subsidiaries, and (b) prior to the Initial Business Combination, refer to the Predecessor Company (as defined herein), (ii) the term "Issuer" refers to Vista exclusive of its subsidiaries, (iii) the term "Vista Argentina" refers to Vista Oil & Gas Argentina S.A.U. (formerly known as Vista Oil & Gas Argentina S.A. and prior thereto, as Petrolera Entre Lomas S.A.); (iv) the term "PELSA" refers to Petrolera Entre Lomas S.A. (or following the change of its corporate name, Vista Argentina); (v) the term "Vista Holding I" refers to Vista Oil & Gas Holding I, S.A. de C.V.; (vi) the term "Vista Holding II" refers to Vista Oil & Gas Holding II, S.A. de C.V.; (vii) the term "APCO International" refers to APCO Oil & Gas S.A.U. (formerly known as APCO Oil and Gas International, Inc. before its re-domiciliation to Argentina, which was merged into Vista Argentina pursuant to the Argentine Reorganization (as defined herein) and is no longer in existence as of the date of this annual report; see "Item 4—Information on the Company—History and Development of the Company"; (viii) the term "APCO Argentina" refers to APCO International's subsidiary APCO Argentina S.A. (which was merged into Vista Argentina pursuant to the Argentina Reorganization and is no longer in existence as of the date of this annual report; see "Item 4—Information on the Company—History and Development of the Company"); (ix) the term "APCO Argentina Branch" refers to APCO Oil & Gas S.A.U. (formerly known as APCO Oil and Gas International, Inc. (Argentina Branch)) (together with APCO International and APCO Argentina, the "APCO Entities"); and (x) the term "Predecessor Company" or "Predecessor" refers to PELSA and its subsidiaries, prior to the Initial Business Combination. See "Item 4—Information on the Company—History and Development of the Company."

References to "series A shares" refer to shares of our series A common stock, no par value, and references to "ADSs" are to American Depositary Shares, each representing one series A share, except where the context requires otherwise.

In addition, the term "Mexico" refers to the United Mexican States, the term "United States" refers to the United States of America, and the term "Argentina" refers to the Argentine Republic. Moreover, the phrase "Mexican government" refers to the federal government of Mexico, the phrase "U.S. government" refers to the federal government of the United States, and the phrase "Argentine government" refers to the federal government of Argentina.

Accounting terms have the definitions set forth under International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS").

Financial Statements and Information

The financial statements included in this annual report have been prepared on a historical basis in accordance with IFRS, as described herein.

We were incorporated on March 22, 2017 and commenced our upstream operations with the Initial Business Combination on April 4, 2018. Accordingly, our operating history is limited. We maintain our books and records in U.S. Dollars, which is the presentation currency for our financial statements and also the functional currency of our operations.

PELSA was determined to be the Company's predecessor, and as a result, PELSA's historical operations have been presented for the fiscal year ended December 31, 2017 and for the period from January 1, 2018 to April 3, 2018.

PELSA, as the Company's predecessor, applied IFRS for the first time as of and for the year ended December 31, 2017 with a transition date as of January 1, 2017. In the preparation of the predecessor financial statements, PELSA has applied all the IFRS that are mandatorily effective in the fiscal year beginning January 1, 2018, in all the periods presented.

The financial information contained, or referred to, in this annual report includes:

(i) the audited consolidated financial statements for the period from January 1, 2018 to April 3, 2018, of PELSA, as the Company's predecessor (the "Predecessor 2018 Audited Financial Statements"); and

(ii) the audited consolidated financial statements as of December 31, 2020, December 31, 2019 and December 31, 2018 and for the years ended December 31, 2020 and December 31, 2019 and for the period from April 4, 2018 to December 31, 2018 of the Company (the "Successor Financial Statements" and together with the Predecessor 2018 Audited Financial Statements, the "Audited Financial Statements")

The Audited Financial Statements have been prepared in accordance with IFRS as issued by the IASB and are presented in U.S. Dollars.

As a result of the Initial Business Combination, the financial reporting periods in respect of fiscal year 2018 are presented herein as follows:

- the "2018 Predecessor Period," which refers to the period from January 1, 2018 to April 3, 2018 and includes the consolidated results of operations of the Predecessor Company; and
- the "2018 Successor Period," which refers to the period from April 4, 2018 to December 31, 2018 and includes the consolidated results of operations of Vista, as the successor company.

The comparability of our results of operations is affected by the consummation of the Initial Business Combination and purchase accounting. As a result of the predecessor treatment given to PELSA, our results of operations for periods prior to the Initial Business Combination do not include the results of the APCO Entities, JDM and 25 de Mayo-Medanito, and therefore are not comparable to our results for periods after the consummation of the Initial Business Combination.

Presentation of Currencies and Rounding

All references to "$," "US$," "U.S. Dollars" and "Dollars" are to U.S. dollars, the lawful currency of the United States of America, references to "Mexican Pesos" and "Ps." are to Mexican pesos, the lawful currency of Mexico and "ARS," "Argentine Pesos" and "AR$" are to Argentine pesos, the lawful currency of Argentina. The Audited Financial Statements are presented in U.S. Dollars.

Certain figures included in this annual report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

The Initial Business Combination

On April 4, 2018, Vista consummated the Initial Business Combination. The term "Initial Business Combination" refers to the following transactions:

(i) *The PELSA Acquisitions*. The acquisition from Pampa Energía S.A. ("Pampa") of:

(a) 58.88% of the capital stock of PELSA, an Argentine corporation that holds a 73.15% direct operating interest in each of the Entre Lomas, Agua Amarga and Bajada del Palo oil exploitation concessions located in the Neuquina Basin in the provinces of Neuquén and Río Negro, Argentina (the "EL-AA-BP Concessions");

(b) a 3.85% direct interest in the EL-AA-BP Concessions; and

(c) a 100% direct interest in the 25 de Mayo-Medanito SE ("25 de Mayo-Medanito") and Jagüel de los Machos ("JDM") oil exploitation concessions located in the Neuquina Basin in the Province of Río Negro, Argentina, which were acquired by PELSA on the same day.

(ii) *The APCO Acquisitions*. The acquisition from Pluspetrol Resources Corporation ("Pluspetrol") of:

(a) 100% of the capital stock of APCO International; and

(b) 5% of the capital stock of APCO Argentina.

At the time of the Initial Business Combination (i.e., April 4, 2018), APCO International held (a) 39.22% of the capital stock of PELSA; (b) 95% of the capital stock of APCO Argentina; and (c) through APCO Argentina Branch, the following interests:

(1) a 23% interest in each of the EL-AA-BP Concessions operated by PELSA;

(2) a 45% non-operating interest in an assessment block in the Neuquina Basin in the Province of Neuquén, Argentina, denominated "Coirón Amargo Sur Oeste";

(3) a 84.62% operating interest in an exploitation concession in the Neuquina Basin in the Province of Neuquén, Argentina, denominated "Coirón Amargo Norte";

(4) a 1.5% non-operating interest in an exploitation concession in the Noroeste Basin in the Province of Salta, Argentina, denominated "Acambuco";

(5) a 16.95% non-operating interest in an exploitation concession in the Golfo San Jorge Basin in the Province of Santa Cruz, Argentina, denominated "Sur Río Deseado Este"; and

(6) a 44% non-operating interest in an exploration agreement relating to Sur Río Deseado Este.

At the time of the Initial Business Combination, APCO Argentina held a 1.58% equity interest in PELSA, which, together with (a) the 39.22% equity interest in PELSA held through APCO International, (b) the 58.88% equity interest held directly by the Company as described in (i)(a) above, and (c) the 0.32% equity interest directly acquired on April 25, 2018 by Vista Holding I from PELSA's minority shareholders, accounted for 100% of the capital stock of PELSA that we hold as of the date of this annual report.

Emerging Growth Company Status

We qualify as an "emerging growth company" pursuant to the JOBS Act. An emerging growth Company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002, or Section 404, in the assessment of the emerging growth Company's internal control over financial reporting. The JOBS Act also provides that an emerging growth Company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act, for complying with new or revised accounting standards. However, we have elected to "opt out" of this provision that would have allowed us to take advantage of an extended transition period and, as a result, we will comply with new or revised accounting standards as required. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

We have elected to adopt certain of the reduced disclosure requirements available to emerging growth companies. For a description of the qualifications and other requirements applicable to emerging growth companies and certain elections that we have made due to our status as an emerging growth Company, see "Item 3—Key Information—Risk Factors—Risks Related to our Series A shares and the ADSs—As a foreign private issuer and an "emerging growth company, we have different disclosure and other requirements than U.S. domestic registrants and non-emerging growth companies."

Public Company in Mexico

Because we are a public company in Mexico, investors can access our historical financial statements published in Spanish on the Mexican Stock Exchange's (*Bolsa Mexicana de Valores, S.A.B. de C.V.*), the CNBV's (*Comisión Nacional Bancaria y de Valores*) and our websites at www.bmv.com.mx, www.gob.mx/cnbv and www.vistaoilandgas.com, respectively. The information found on the Mexican Stock Exchange's, the CNBV's and our websites is not a part of this annual report. Pursuant to the General Regulations Applicable to Issuers and Other Market Participants (*Disposiciones de Carácter General Aplicables a las Emisoras de Valores y a otros Participantes del Mercado de Valores*), as amended, issued by the CNBV, we are not required to treat PELSA as our predecessor company in the preparation of our historical financial statements. The historical financial statements and other financial information filed with the CNBV and the Mexican Stock Exchange are not prepared and presented with the financial information of PELSA as predecessor.

Our financial statements and other financial information for periods ending after January 1, 2019 to be made available on the Mexican Stock Exchange's and the CNBV's websites will be prepared and presented substantially in the same manner as the financial information included in this annual report for the 2018 Successor Period.

Non-IFRS Financial Measures

In this annual report, we present Net Debt, Adjusted EBITDA and Adjusted EBITDA Margin, which are non-IFRS financial measures. A non-IFRS financial measure is generally defined as a numerical measure of a registrant's historical or future financial performance, financial position or cash flows that: (i) excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with IFRS in the statement of income, balance sheet or statement of cash flows (or equivalent statements) of the issuer; or (ii) includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented.

We define Adjusted EBITDA as (loss) / profit for the year / period plus income tax expense, financial results, net, depreciation, depletion and amortization, transaction costs related to business combinations, restructuring and reorganization expenses and impairment (recovery) of property, plant and equipment. We believe that the nature of the restructuring and reorganization expenses were such that they are not reasonably likely to recur within two years as they are mainly related to permanent reductions in our workforce derived from our business combinations, and that restructuring and reorganization expenses and transaction expenses are not normal, recurring operating expenses. We believe that by excluding restructuring and reorganization expenses and transaction costs related to business combinations, we are able to provide supplemental information for our management and investors to analyze our core operating performance on a consistent basis from period to period. In addition, the impairment (recovery) of property, plant and equipment was excluded from the determination of our Adjusted EBITDA because it corresponds to an adjustment to the valuation of our fixed assets which charge is similar in nature to the depreciation of property, plant and equipment. This metric allows management and investors to analyze our operating performance on a consistent basis from period to period. In this regard, we note that the elimination of these costs and expenses does not result in a reduction of operating expenses necessary to conduct our business. In light of the foregoing factors, our management excludes restructuring and reorganization expenses, transaction costs from business combinations and impairment (recovery) of property, plant and equipment from our Adjusted EBITDA to facilitate reviews of operational performance and as a basis for strategic planning. Our management believes that excluding such items will allow investors to supplement their understanding of our short-term and long-term financial trends.

We define Net Debt as current and non-current borrowings minus cash, bank balances and other short-term investments. We define Adjusted EBITDA Margin as the ratio of Adjusted EBITDA to revenue from contracts with customers.

We present Adjusted EBITDA, Adjusted EBITDA Margin and Net Debt because we believe they provide investors with supplemental measures of the financial condition and performance of our core operations that facilitate period to period comparisons on a consistent basis. Our management uses Net Debt, Adjusted EBITDA and Adjusted EBITDA Margin, among other measures, for internal planning and performance measurement purposes. Net debt, Adjusted EBITDA and Adjusted EBITDA Margin are not measures of liquidity or operating performance under IFRS and should not be construed as alternatives to net profit, operating profit, or cash flow provided by operating activities

(in each case, as determined in accordance with IFRS). Net Debt, Adjusted EBITDA and Adjusted EBITDA Margin, as calculated by us, may not be comparable to similarly titled measures reported by other companies. For a reconciliation of Net Debt, Adjusted EBITDA and Adjusted EBITDA Margin to the most directly comparable IFRS financial measure, see "Item 5—Operating and Financial Review and Prospects—Operating results."

Market and Industry Data

This annual report includes market share, ranking, industry data and forecasts that we obtained from industry publications and surveys, public filings, and internal company sources. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, including Wood Mackenzie Ltd. ("Wood Mackenzie"), but there can be no assurance as to the accuracy or completeness of included information.

We have not independently verified any of the data from third-party sources, nor have we ascertained the underlying economic assumptions relied upon therein. We believe data regarding the size of our markets and market share are inherently imprecise, but generally indicate size and position and market share within our markets. While we are not aware of any misstatements regarding our industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in the section titled "Risk Factors."

Presentation of Oil and Gas Information

The Company's Oil and Gas Reserves Information

The information included in this annual report regarding estimated quantities of proved reserves is derived from estimates of the proved reserves as of December 31, 2020. The proved reserves estimates are derived from the report dated February 1, 2021 prepared by DeGolyer and MacNaughton ("D&M"), for our concessions located in Argentina, and the report dated February 5, 2021 prepared by Netherland, Sewell International, S. de R.L. de C.V. ("NSI") for our concessions located in Mexico (collectively, the "2020 Reserves Reports"). The 2020 Reserves Reports are included as Exhibits 99.1 and 99.2 to this annual report. D&M and NSI are independent reserves engineering consultants. The 2020 Reserves Report prepared by D&M is based on information provided by us and presents an appraisal as of December 31, 2020 of oil and gas reserves located in the Entre Lomas Río Negro, Entre Lomas Neuquén, Bajada del Palo Oeste, Bajada del Palo Este, Charcho del Palenque, Jarilla Quemada, Coirón Amargo Norte, Coirón Amargo Sur Oeste, Acambuco, Jagüel de los Machos, 25 de Mayo-Medanito concessions in Argentina. The 2020 Reserves Report prepared by NSI is based on information provided by us and presents an appraisal as of December 31, 2020 of our oil and gas reserves located in the CS-01 and A-10 concessions in Mexico.

Argentina and Mexico Oil and Gas Reserves Information

The information included in the "Industry and Regulatory Overview" section of this annual report regarding Argentina's and Mexico's proved reserves has been prepared based on official and publicly available information of the Argentine Secretariat of Energy and Mexico's National Hydrocarbon Commission. References to the "proved reserves" of Argentina and Mexico follow the definition of "proved reserves" as set forth in the guidelines published by the Argentine Secretariat of Energy and Mexico's National Hydrocarbon Commission, as applicable. However, the information regarding Vista's proved reserves included elsewhere in this annual report has been prepared according to the definitions of Rule 4-10(a) of Regulation S-X or the Society of Petroleum Engineers' Petroleum Resources Management System, which may differ from the relevant guidelines published by the Argentine and Mexican authorities. For more information, see "Item 4—Information on the Company—History and Development of the Company—Industry and Regulatory Overview—Oil and Gas Regulatory Framework in Argentina—Reserves and Resources Certification in Argentina" and "Item 4—Information on the Company—History and Development of the Company—Industry and Regulatory Overview—Oil and Gas Regulatory Framework in Mexico—Reserves and Resources Certification in Mexico."

Certain Definitions

"***Argentine Secretariat of Energy***" or "***SdE***" means the current Argentine *Secretaría de Energía* under the supervision of the Ministry of Productive Development (the Argentine *Ministerio de Desarrollo Productivo*), and/or any of its predecessors (the Argentine Ministry of Energy and the Argentine Ministry of Energy and Mining), and/or any other Argentine federal governmental agency that is in charge of enforcing the Hydrocarbons Law in the future, as applicable.

"***Adjusted Badlar base rate***" means the rate per annum equal to the weighted average of the rates on fixed deposits exceeding AR$1 million at private banks for 30/35 days as published by the BCRA.

"***BCRA***" means the Argentine Central Bank (*Banco Central de la República Argentina*).

"***CNH***" means the Mexican National Hydrocarbon Commission (*Comisión Nacional de Hidrocarburos*).

"***CNG***" means compressed natural gas.

"***CRE***" means the Mexican Energy Regulatory Commission (*Comisión Reguladora de Energía*)

"***EIA***" means the U.S. Energy Information Administration.

"***IEA***" means the International Energy Agency.

"***LIE***" meas the Mexican Power Industry Law (*Ley de Industria Eléctrica*)

"***LNG***" means liquefied natural gas.

"***LPG***" means liquefied petroleum gas (includes butane and propane).

"***Management Team***" means the Company's management team that is comprised of Miguel Galuccio, Pablo Vera Pinto, Juan Garoby, Alejandro Cherñacov and, from April 4, 2018 to March 31, 2020, Gaston Remy. As such term is used in this annual report, our Management Team does not include our General Counsel, Javier Rodríguez Galli.

"***MMBtu***" means million British thermal units.

"***NGL***" means natural gas liquids.

"*NOLs*" means Net Operating Losses.

"***OPEC***" means Organization of Petroleum Exporting Countries

"***Pemex***" means Mexican Petroleum (*Petróleos Mexicanos*).

"***production***" when used with respect to (i) our gas production, it excludes flared gas, injected gas and gas consumed in our operations and (ii) our NGL production, consists only of LPG.

"***Proved developed reserves***" means those proved reserves that can be expected to be recovered through existing wells and facilities and by existing operating methods.

"***Proved reserves***" means those quantities of oil and natural gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time. For a complete definition of "proved oil and natural gas reserves," refer to the SEC's Regulation S-X, Rule 4, 10(a)(22).

"***Proved undeveloped reserves***" means those proved reserves that are expected to be recovered from future wells and facilities, including future improved recovery projects which are anticipated with a high degree of certainty in reservoirs which have previously shown favorable response to improved recovery projects. For a complete definition of "proved undeveloped oil and natural gas reserves," refer to the SEC's Regulation S-X, Rule 4, 10(a)(31).

"***TM20 adjusted base rate***" means the rate per annum equal to the weighted average of the rates on fixed deposits exceeding AR$20 million at private banks for 30/35 days as published by the BCRA.

"***UTs***" or "***Unidades de Trabajo***" means the base unit used as reference to state and evaluate the fulfillment of the activities provided under (i) a minimum work commitment program assumed by a contractor under a hydrocarbons exploration and production contract, (ii) the increase in the activities of such program, as well as (iii) any other additional work commitments undertaken for any given phase of the exploration and production contract not included in the commitment program.

Measurements, Oil and Natural Gas Terms and Other Data

In this annual report, we use the following measurements:

- "m" or "meter" means one meter, which equals approximately 3.28084 feet;
- "km" means one kilometer, which equals approximately 0.621371 miles;
- "km^2" means one square kilometer, which equals approximately 247.1 acres;
- "m^3" means one cubic meter;
- "bbl" "bo," or "barrel of oil" means one stock tank barrel, which is equivalent to approximately 0.15898 cubic meters;
- "boe" means one barrel of oil equivalent, which equals approximately 160.2167 cubic meters, determined using the ratio of 5,615 cubic feet of natural gas to one barrel of oil;
- "cf" means one cubic foot;
- "M," when used before bbl, bo, boe or cf, means one thousand bbl, bo, boe or cf, respectively;
- "MM," when used before bbl, bo, boe or cf, means one million bbl, bo, boe or cf, respectively;
- "Bn," when used before bbl, bo, boe or cf, means one billion bbl, bo, boe or cf, respectively;
- "T," when used before bbl, bo, boe or cf, means one trillion bbl, bo, boe or cf, respectively;
- "/d," or "pd" when used after bbl, bo, boe or cf, means per day; and
- "sxs" means sand bags of 100 pounds.

FORWARD-LOOKING STATEMENTS

This annual report contains estimates and forward-looking statements, principally in "*Item 3. Risk Factors*," "*Item 4. Our Business*" and "*Item 5. Operating and Financial Review and Prospects.*" Some of the matters discussed herein concerning our business operations and financial performance include estimates and forward-looking statements within the meaning of the U.S. Securities Act of 1933, as amended (the "Securities Act") and the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act").

The words such as "believes," "expects," "anticipates," "intends," "should," "seeks," "estimates," "future" or similar expressions are included with the intention of identifying statements about the future. We have based these forward-looking statements on numerous assumptions, including our current beliefs, expectations and projections about present and future events and financial trends affecting our business. These expectations and projections are subject to significant known and unknown risks and uncertainties which may cause our actual results, performance or achievements, or industry results, to be materially different from any expected or projected results, performance or achievements expressed or implied by such forward-looking statements. Many important factors, in addition to those discussed elsewhere in this annual report, could cause our actual results, performance or achievements to differ materially from those expressed or implied in our forward-looking statements, including, among other things:

- uncertainties relating to future government concessions and exploration permits;
- adverse outcomes in litigation that may arise in the future;
- general political, economic, social, demographic and business conditions in Argentina, Mexico, in other countries in which we operate;
- the impact of political developments and uncertainties relating to political and economic conditions in Argentina, including the policies of the new government in Argentina;
- significant economic or political developments in Mexico and the United States;
- uncertainties relating to future election results in Argentina and Mexico;
- changes in law, rules, regulations and interpretations and enforcements thereto applicable to the Argentine and Mexican energy sectors, including changes to the regulatory environment in which we operate and changes to programs established to promote investments in the energy industry;
- any unexpected increases in financing costs or an inability to obtain financing and/or additional capital pursuant to attractive terms;
- any changes in the capital markets in general that may affect the policies or attitude in Argentina and/or Mexico, and/or Argentine and Mexican companies with respect to financings extended to or investments made in Argentina and Mexico or Argentine and Mexican companies;
- fines or other penalties and claims by the authorities and/or customers;
- any future restrictions on the ability to exchange Mexican or Argentine Pesos into foreign currencies or to transfer funds abroad;
- the revocation or amendment of our respective concession agreements by the granting authority;
- our ability to implement our capital expenditures plans or business strategy, including our ability to obtain financing when necessary and on reasonable terms;
- government intervention, including measures that result in changes to the Argentine and Mexican, labor markets, exchange markets or tax systems;

- continued and/or higher rates of inflation and fluctuations in exchange rates, including the devaluation of the Mexican Peso or Argentine Peso;
- any force majeure events, or fluctuations or reductions in the value of Argentine public debt;
- changes to the demand for energy;
- uncertainties relating to the effects of the COVID-19 outbreak;
- the effects of a pandemic or epidemic and any subsequent mandatory regulatory restrictions or containment measures;
- environmental, health and safety regulations and industry standards that are becoming more stringent;
- energy markets, including the timing and extent of changes and volatility in commodity prices, and the impact of any protracted or material reduction in oil prices from historical averages;
- changes in the regulation of the energy and oil and gas sector in Argentina and Mexico, and throughout Latin America;
- our relationship with our employees and our ability to retain key members of our senior management and key technical employees;
- the ability of our directors and officers to identify an adequate number of potential acquisition opportunities;
- our expectations with respect to the performance of our recently acquired businesses;
- our expectations for future production, costs and crude oil prices used in our projections;
- uncertainties inherent in making estimates of our oil and gas reserves, including recently discovered oil and gas reserves
- increased market competition in the energy sectors in Argentina and Mexico;
- potential changes in regulation and free trade agreements as a result of U.S., Mexican or other Latin American political conditions; and
- additional matters identified in “Risk Factors.”

Forward-looking statements speak only as of the date on which they were made, and we undertake no obligation to release publicly any updates or revisions to any forward-looking statements contained herein after we distribute this annual report because of new information, future events or other factors. In light of these limitations, undue reliance should not be placed on forward-looking statements contained in this annual report.

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

Capitalization and Indebtedness

Not applicable.

Reasons for the Offer and Use of Proceeds

Not applicable.

RISK FACTORS

You should carefully consider the following risk factors in evaluating us and our business before investing in Vista. In particular, you should consider the risks related to an investment in companies operating in Argentina, Mexico and Latin America generally, for which we have included information in these risk factors to the extent that information is publicly available. In general, investing in the securities of issuers whose operations are located in emerging market countries such as Argentina and Mexico involve a higher degree of risk than investing in the securities of issuers whose operations are located in the United States or other more developed countries. If any of the risks discussed in this annual report actually occur, alone or together with additional risks and uncertainties not currently known to us, or that we do not presently consider material, our business, financial condition, results of operations and prospects may be materially adversely affected. If this were to occur, the value of our series A shares or ADSs may decline and you may lose all or part of your investment. When determining whether to invest, you should also refer to the other information contained in this annual report, including the Audited Financial Statements and the related notes thereto. Our actual results could differ materially and adversely from those anticipated in this annual report.

Risks Related to our Business and Industry

The oil and gas industry is subject to particular operational and economic risks.

Oil and gas E&P activities are subject to particular economic and industry-specific operational risks, some of which are beyond our control, such as production, equipment and transportation risks, as well as natural hazards and other uncertainties, including those relating to the physical characteristics of onshore and offshore oil or natural gas fields. Our operations may be curtailed, delayed or canceled due to bad weather conditions, mechanical difficulties, shortages or delays in the delivery of equipment, compliance with governmental requirements, fire, explosions, blow-outs, pipe failure, abnormally pressured formations, and environmental hazards, such as oil spills, gas leaks, ruptures or discharges of toxic gases. In addition, we operate in politically sensitive areas where the local population or other stakeholders have interests that from time to time may conflict with our production or development objectives. If these risks materialize, we may suffer substantial operational losses, disruptions to our operations and harm to our reputation. Additionally, if any operational incident occurs that affects local communities and ethnic communities in nearby areas, we will need to incur additional costs and expenses in order to remediate affected areas and to compensate for any damages we may cause. These additional costs may have a negative impact on the profitability of the projects we may decide to undertake. Drilling may be unprofitable, not only with respect to dry wells, but also with respect to wells that are productive but do not produce sufficient revenues to return a profit after drilling, operating and other costs are considered.

We are exposed to the effects of fluctuations in the international prices of oil and gas.

International oil and gas prices have fluctuated significantly in past years and they will most likely continue fluctuating in the future. For example, during 2016, 2017, 2018, 2019, and 2020 the reference price of the Brent benchmark has fluctuated significantly, with average prices of US$45.13/bbl, US$54.75/bbl, US$71.69/bbl, US$64.16/bbl and US$43.21/bbl for each of those years, respectively.

During the first week of March 2020, the Organization of Petroleum Exporting Countries ("OPEC") and certain non-OPEC producers (referred to as OPEC+) met in Vienna, Austria, to discuss the prospect of extending or increasing oil production cuts, in light of a decrease in demand due to COVID-19. No consensus was reached among the 24 participating countries, effectively eliminating quotas and reduction targets as of April 1, 2020. After the events, Saudi Arabia, the world's largest oil exporter, through its state-owned Company Saudi Aramco, decided to lower the OSP (Official Selling Price) of its Arab light crude by around US$8 per barrel, the largest monthly decrease in 20 years. Concurrently, it announced plans to increase production to at least 10 million barrels per day as of April. On March 8, 2020, Brent crude slid US$10.9 (or 24.1%) to US$34.4 in the worst decline in a single day since 1991. From March 16 to April 2, 2020, Brent price was below US$30/bbl, with a minimum price of US$22.72/bbl on March 30, 2020. Although, OPEC and OPEC+ agreed on a curtailment of 9.7 MMBbl/d on April 9, 2020, pushing Brent above the US$30/bbl mark, Brent dropped below US$20/bbl on April 21, 2020 as a result of the fall in crude oil demand generated by the COVID-19 pandemic (as explained below). After the demand started to recover, Brent climbed above US$35/bbl on May 20, 2020 and has traded above such price since May 28, 2020. During the second half of 2020, Brent has traded at an average price of US$44.3/bbl, resulting in an average price during 2020 of US$43.2/bbl.

The sustained impact of the COVID-19 pandemic across the world has led to a sharp drop in demand since most countries announced containment measures (border closures, flight cancellations, self-isolation and quarantine, large gathering restrictions and bar and restaurant closures, among others). According to the IMF, the impact that the COVID-19 pandemic, including, but not limited to, the measures adopted by various governments to address the spread of the virus, has led to an estimated contraction of 3.3% in the global economy during 2020. The full extent and duration of such containment measures, and their impact on the world economy remain uncertain.

Factors affecting international prices for crude oil and related oil products include: political developments in crude oil producing regions, particularly the Middle East; the ability of the OPEC and other crude oil producing nations to set and maintain crude oil production levels and prices; global and regional supply and demand for crude oil, gas and related products; competition from other energy sources; domestic and foreign government regulations; weather conditions and global and local conflicts or acts of terrorism. We cannot predict how these factors will influence oil and related oil products prices and we have no control over them. Price volatility curtails the ability of industry participants to adopt long-term investment decisions given that returns on investments become unpredictable.

Furthermore, our realized crude oil price depends on several factors such as international crude oil prices, international refining spreads, processing and distribution costs, biofuel prices, exchange currencies, local demand and supply, domestic refining margins, competition, stocks, local taxation, local regulations and domestic margins for our products, among others.

A substantial or extended downturn in the international prices of crude oil and its derivatives could have a material adverse effect on our business, operating results, and financial condition, as well as the value of our reserves and the market value of our series A shares or ADSs.

Oil and gas price volatility could harm our investment projects and development plans.

In terms of investments, we budget capital expenditures related to exploration and development by considering, among others, current and expected local and international market prices for our hydrocarbon products.

Substantial or extended declines in international crude oil and gas prices, and their derivatives, may have an impact on our investment plans. Also, any drop in the domestic crude oil and gas prices for an extended period (or if prices for certain products do not match cost increases) could cause a decline in the economic viability of our drilling projects.

Additionally, significant downturns in the prices of crude oil and gas, and their derivatives, could force us to incur future impairment expenses, reduce or alter the term of our capital investments, and this could affect our production forecasts in the medium term and our estimate of reserves towards the future.

These factors could also lead to changes to our development plans, which could lead to the loss of proved developed reserves and proved undeveloped reserves and could also adversely affect our ability to improve our hydrocarbon recovery rates, find new reserves, develop shale resources and carry out our other capital expenditure plans. In turn, such change in conditions could have an adverse effect on our financial condition and results of operations. Additionally, it could also have an impact on our operating assumptions and estimates and, as a result, affect the recovery value of certain assets.

We are exposed to contractions in the demand of crude oil and natural gas and contractions in the demand of any of their by-products.

The demand of our crude oil and gas products is largely influenced by the economic activity and growth in Argentina, Mexico and globally. Although demand increased in the past, it has recently contracted significantly (in part, due to the COVID-19 pandemic) and is subject to volatility in the future. On March 20, 2020, we decided to stop our drilling and completion activity in Argentina, and were also forced to shut-in certain wells, including our 12 shale wells in Bajada del Palo Oeste, in response to lower crude oil demand. Those wells were reopened in May 2020. Demand for crude oil by-products, such as gasoline, may also contract under certain conditions, particularly during economic slowdowns.

Latest estimates from the IEA, EIA and OPEC forecast that global crude oil demand will reach 99.6 MMbb1/d for the full year 2021 compared to 94.1 MMbb1/d for the year 2020. Such variation represents a 5.5 MMBbl/d increase during the full year 2021, compared to a decline of 8.8 MMbbl/d during 2020. Although the surge of COVID-19 cases is lowering the pace of the recoup, it is expected that after the proposed vaccination campaigns and an acceleration in the economic activity, the demand should show a larger growth during the second half of 2021. For the year ended December 31, 2020, 86% of our revenues were derived from crude oil; because we expect that our production mix will continue to be weighted towards crude oil, our financial results are more sensitive to movements in oil prices.

A further contraction of the demand of our products, or the maintenance of the current demand levels for significant periods of time, would adversely affect our revenues, causing economic losses to our Company. In addition, further contraction of demand and pricing of our products can impact the valuation of our reserves and, in periods of lower commodity prices, we may curtail production and capital spending or may defer or delay drilling wells because of lower cash generation. Lower oil and natural gas prices could also affect our growth, including future and pending acquisitions. A substantial or extended decline in oil or natural gas prices could adversely affect our business, financial condition and results of operations. Continuous poor economic performance could eventually lead to a deterioration in our financial coverage ratios, impairment charges and cause us to exceed the financial covenants agreed upon in the Credit Agreement (as defined below). A contraction of crude oil demand could also affect us financially, including our ability to pay our suppliers for their services, which could, in turn, lead to further operational distress. As of the date of this annual report, given the uncertainty of the lasting effect of the COVID-19 pandemic, its impact on our business cannot be determined.

The outbreak of COVID-19 has had and may continue to have an adverse effect on our business, results of operations and financial condition.

Since December 2019, a novel strain of coronavirus (2019-nCov, referred to as COVID-19) has spread throughout the world. On March 11, 2020, COVID-19 was categorized as a pandemic by the World Health Organization. The COVID-19 pandemic has resulted in numerous deaths and the imposition of local, municipal and national governmental “shelter-in-place” and other quarantine measures, border closures and other travel restrictions, causing unprecedented commercial disruption in a number of jurisdictions, including Mexico and Argentina. Many countries around the world, including Mexico and Argentina, are suffering significant economic and social crises as a result of the ongoing COVID-19 pandemic and measures taken to contain or mitigate it, which have had dramatic adverse consequences on demand, operations, supply chains and financial markets, as well as contributed to significant oil price volatility. While the nature and scope of the consequences to date are difficult to evaluate precisely, and their future course is impossible to predict with confidence, these events may continue for a sustained period of time.

As of the date of this annual report, both the Mexican Government, as well as the Argentine Government, have adopted certain measures intended to help mitigate the spread of COVID-19 in their respective countries. However, we cannot predict the range of future policies that may be enacted by such governments, or any other government, or the impact these policies will have on our business and operations. In accordance with the recommendations of the relevant governmental authorities, certain of which remain in effect as of the date of this annual report, in late March 2020 we implemented a COVID-19 health protocol which included, among other things, limitation of our workforce's access to our facilities and the implementation of a work-from-home policy for a substantial portion of our employees. Although some of our employees have partially returned to work in our facilities as of the date of this annual report, further developments related to the COVID-19 pandemic, or any future pandemic or epidemic, may further impact the places where we operate or our workforce. In turn, this could significantly disrupt our operations and cause health restrictions to our workforce and, therefore, impact the operation of our facilities, including our rigs, refineries and terminals, among others. These conditions could adversely affect our business, results of operations and financial condition.

In addition to the operational impacts of the COVID-19 pandemic, international prices for oil, oil products and natural gas are volatile and strongly influenced by conditions and expectations of world supply and demand. The COVID-19 pandemic has significantly decreased and is likely to continue to decrease worldwide oil demand in 2021, has led to significantly decreased oil prices and, consequently, has significantly adversely affected our business, results of operations and financial condition. The demand of our crude oil and gas products is largely influenced by the economic activity and growth in Argentina, Mexico and globally. Although demand increased in the past, it has recently contracted significantly (in part, due to the COVID-19 pandemic) and is subject to volatility in the future. On March 20, 2020 we decided to stop our drilling and completion activity in Argentina, and were also forced to shut-in certain wells, including our 12 shale wells in Bajada del Palo Oeste, in response to lower crude oil demand. Those wells were reopened in May 2020. Demand for crude oil by-products, such as gasoline, may also contract under certain conditions, particularly during economic slowdowns.

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If the impact of the COVID-19 pandemic continues for an extended period of time, it could adversely affect our ability to operate our business in the manner and on the timelines previously planned. Further, it could have accounting consequences, such as decreases in our revenues and the value of our inventories, foreign exchange losses, impairments of fixed assets, and affect our ability to operate effective internal control over financial reporting. In addition, any further developments related to the COVID-19 pandemic or other health pandemics or epidemics may adversely affect our cash flows from operations, which in turn might affect our investment plans and debt service capacity.

The extent to which COVID-19 or other health pandemics or epidemics may continue to impact Mexico and Argentina, the Mexican and Argentinian economy and the global economy and, in turn, our business, results of operations and financial condition is highly uncertain and will depend on numerous evolving factors that we cannot predict, including, but not limited to:

- the duration, scope, and severity of the COVID-19 pandemic;
- ongoing reduced oil demand and oil price volatility;

- the impact of travel bans, work-from-home policies, or shelter-in-place orders;
- staffing shortages;
- general economic, financial, and industry conditions, particularly conditions relating to liquidity, financial performance, which may be amplified by the effects of COVID-19; and
- the long-term effects of COVID-19 on the national and global economy, including on consumer confidence and spending, financial markets and the availability of credit for us, our suppliers and our customers.

We are exposed to the effects of fluctuations and regulations in the domestic prices of oil and gas, which may limit our ability to increase the price of our oil and gas products.

Most of our revenue in Argentina and Mexico is derived from sales of crude oil and natural gas. The domestic price of crude oil has fluctuated in the past in such countries not only due to international prices, but also due to local taxation, price regulations, macroeconomic conditions and refining margins.

Oil prices in Argentina and Mexico have not perfectly reflected the upward or downward changes in the international price of oil. Such fluctuations have had an impact on the local prices for the commercialization of crude oil. In the event that local prices are reduced through regulation or other local factors, which we cannot control, it could affect the economic performance of our existing and future projects, generating a loss of reserves as a result of changes in our development plans, our assumptions and our estimates, and consequently affect the recovery value of certain assets.

In Argentina, as a result of economic, political, and regulatory developments, the prices of crude oil, diesel, and other fuels have differed significantly from the international and regional markets, and the ability to increase or maintain such prices to match international standards has been challenged.

On January 11, 2017, the Argentine Secretariat of Energy and Argentine producers and refineries signed the "Agreement for the Transition to International Prices of the Argentina Hydrocarbon Industry," establishing a price schedule in order for the price of the barrel of oil produced in Argentina to track international prices during 2017. This agreement (under which a price determination and review system was established for 2017) was in force until December 31, 2017, but before this date, the aforementioned price convergence was achieved. Therefore, SdE notified the parties to the agreement that, pursuant to its sub-section 9, starting from October 1, 2017, commitments assumed through such agreement would be suspended.

However, through Decree No. 566/2019, the Argentine government determined that during a 90-day period commencing on August 16, 2019 (i) deliveries of crude oil in the Argentine market had to be invoiced and paid at the agreed-upon price between the oil producers and refineries as of August 9, 2019, applying a reference exchange rate of AR$45.19 per US$1.00 and a Brent reference price of US$59.00 per barrel, and (ii) the maximum prices of gasoline and diesel oil in the Republic of Argentina sold by refineries, wholesale or retail companies (regardless of their quality), were the prices in force as of August 9, 2019. Oil producing and refining companies were also obliged to satisfy the total domestic demand of liquid fuels and crude oil during the 90-day period. Through Decree No. 601/2019, the Argentine Executive Branch modified the duration of the measures implemented by Decree No. 566/2019, which provides that they would be in force until November 13, 2019

The reference exchange rate and maximum prices of gasoline and diesel indicated above were subsequently updated through a series of decrees and resolutions (including Decree No. 601/2019 and Resolution No. 688/2019 that increased the reference exchange rate to AR$46.69 and AR$51.77 per US$1.00, respectively, and Resolution No. 557/2019 that permitted gasoline and diesel prices to be increased by up to a 4.0% with respect to the prices in force as of August 9, 2019).

As of the date of this annual report, the price measures implemented through Decree 566/2019 (as amended) are no longer in force, since the deadline set for November 13, 2019 was not extended.

Law of Solidarity and Productive Reactivation No. 27,541 (the "Solidarity Law"), in force since December 2019, sets forth that the Argentine Executive Branch is entitled to set export duties up to a maximum of 33% of the exported goods until December 31, 2021. The Solidarity Law also established a cap of 8% for the export duties for hydrocarbons and mining products.

On May 19, 2020, the Argentine government issued Decree No. 488/2020 (as amended by Decrees No. 783/2020, 965/2020, 35/2021, 229/2021 and 245/2021, the "Decree No. 488/2020"), providing, among other measures:

(i) Until December 31, 2020, the base price for crude oil in the local market was set at 45 US$/bbl (using the reference of crude oil "Medanito") to be adjusted for each type of crude oil and port of entry, establishing the price to be applied for the calculation of royalties under the Hydrocarbons Law (as defined below).

(ii) In addition, the Secretariat of Energy shall oversee the compliance of producers with the "Annual Investment Plan" required by Section 12 of the annex to Decree No. 1277/12, and shall apply, if necessary, the applicable sanctions.

(iii) As long as these measures were effective, refineries and traders were forced to acquire their demand for crude oil from local producers. In addition, integrated companies, refineries and traders were not allowed to import products that were available for sale or to that could be processed in the local market.

(iv) Export duties were set forth for certain hydrocarbon products: **(i)** 0% rate for export duties in the event that the international price is equal or inferior to the "base value" (US$45/bbl), **(ii)** 8% rate for export duties in the event that the international price is equal or superior to the reference value (US$60/bbl), and **(iii)** in the case that the international price is higher that the base value and lower to the reference value, the export duty tax rate shall be determined according to a linear formula for the export duty rate from 0 to 8%.

Notwithstanding the above, by the end of August 2020, the price of US$45/bbl set by Decree No. 488/2020 ceased to be in force, since the condition set forth in the Decree No. 488/2020 had been met (i.e., the ICE BRENT FIRST LINE rate was higher than US$45/bbl for 10 consecutive days, considering the average of the last 5 quotations published by the "PLATTS CRUDE MARKETWIRE" under the heading "Futures"). Consequently, crude oil prices were once again governed by supply and demand, without prejudice to the impact of withholdings.

There is no assurance that the governments of the countries in which we operate will not adopt new measures establishing prices freezes or otherwise affecting the prices of our oil and gas products in the future. The macroeconomic instability faced by emerging markets and particularly Argentina have impacted the oil and gas sector as well. During 2020, the Argentine Peso slid from 63.0 to 89.2 Argentine Pesos per U.S. Dollar, according to the U.S. Dollar ask rate published by Banco de la Nación Argentina. The fact that end user domestic prices are set in local currency and implies that upstream companies might be unable to pass through the devaluation of Argentine currency downstream which could result in lower Dollar-denominated prices. Although the prices of natural gas in Argentina are denominated in U.S. Dollars, the rates paid by regulated end users are denominated in Argentine Pesos.

During 2020, the Mexican Peso went approximately from 18.8 to 19.9 Mexican Pesos per U.S. Dollar, according to the U.S. Dollar fix rate used to settle obligations published by Banco de México. Furthermore, in the past, the Mexican government has imposed price controls on the sales of natural gas, NGL, gasoline, diesel, gas oil intended for domestic use, fuel oil and other products. Although as of the date of this annual report, sales prices of gasoline and diesel are determined by the free market, the Mexican government could impose additional price controls on the domestic market in the future.

In the event that domestic prices for certain products decrease or do not increase at the same rate than international prices (either due to Argentine or Mexican regulations or otherwise) and export limitations remain in place or are imposed in Argentina, our ability to improve hydrocarbon recovery rates, find new reserves and carry out certain other capital expenditure plans may be adversely affected, which in turn might have an adverse effect on our results of operations, cash flows and/or expectations.

If domestic prices are substantially lower than the prices prevailing in international markets, our business, results of operations and financial condition would be adversely affected.

We cannot assure you that we will be able to maintain or increase the domestic price for our products, and our inability to do so could adversely affect our operations, cash flows and/or expectations.

Natural gas subsidies to natural gas producers may be limited or eliminated in the future.

We may benefit in the future from subsidies granted to natural gas producers of shale reservoirs in the Neuquina basin.

On July 24, 2019 the Argentine Secretariat of Energy issued Resolution No. 417/2019 which (i) replaced the procedures for obtaining gas export permits established by Resolution No. 104/2018, with a new procedure provided in such Resolution; (ii) entrusted the Undersecretariat of Hydrocarbons and Fuels with: (a) the regulation of energy substitution mechanisms to be used also for exports of natural gas under firm conditions, (b) the development and approval of a natural gas export operating procedure, applicable to natural gas exporters, to be used if domestic supply security is at risk; and (c) grant export permits by issuing the relevant certificate.

Resolution No. 417/2019 was later complemented by Resolution No. 506/2019 issued by the Governmental Secretariat of Energy and Resolution No. 294/2019 issued by the former Ministry of Treasury. The latter established the operational procedures for natural gas exports, applicable until September 30, 2021.

On November 13, 2020, the Argentine government issued Decree No. 892/2020, announcing the Plan Gas IV, designed to align the level of production to supply the increased summer demand. The most relevant aspects of Plan Gas IV are:

a. The Plan Gas IV was implemented through direct contracts between gas producers, on the one hand, and gas distributors and/or sub-distributors (to satisfy priority demand) and CAMMESA (the Wholesale Electricity Market Administrator, to satisfy demand of thermal power plants), on the other. Such contracts (i) were awarded and negotiated through, and (ii) the price of gas in the point of entry into the transportation system ("PIST" for its acronym in Spanish) arose from, a tender procedure carried out by the Secretariat of Energy, as detailed further below.

b. It shall have an initial duration of four years, which may be extended by the Secretariat of Energy for additional periods of one year each based on its analysis of the gas market, demand volumes and investment possibilities in infrastructure. For off-shore projects, a longer term of up to eight years may be contemplated.

c. Comprises a total volume of 70 mmcm/d for the 365 days of each year in which the Plan Gas IV is in place (distributed as follows (i) Austral Basin 20 mmcm/d, (ii) Neuquina Basin 47.2 mmcm/d, and (iii) Northwest Basin 2.8 mmcm/d), and certain additional volumes for the winter seasonal period of each of the four years.

d. Producers had to present an investment plan to reach the committed injection volumes and be bound to achieve a production curve per basin that guarantees the maintenance and/or increase of current levels of production.

e. Participating producing companies may be offered preferential conditions for exports under firm condition for up to a total volume of 11 mmcm/d, to be committed exclusively during the non-winter period. The benefits for exports will apply both to the export of natural gas through pipelines and to its liquefaction in Argentina and subsequent export as LNG.

f. The Argentine government may assume on a monthly basis payment of a portion of the price of natural gas in the PIST, in order to mitigate the impact of the cost of natural gas to be transferred to end users.

g. The Central Bank must established mechanisms to guarantee the repatriation of direct investments and their respective returns and/or the payment of principal and interest of foreign financings, provided that such funds have been entered into to Argentina through the Argentine foreign exchange market (the "FX Market") as from the entry into force of the decree, and are used to finance projects under the Plan Gas IV. See "Item 10—Additional Information—Exchange Controls—Additional Requirements Regarding Access to the Exchange Market—Special regime for financings under Plan Gas IV."

h. Resolutions No.80/17 and 175/19 of the former Secretariat of Energy were abrogated. The Secretariat of Energy may supplement the Plan Gas IV with the incentive programs set forth in such regulations.

On November 20, 2020, the Secretariat of Energy issued Resolution No. 317/2020, approving the Bidding Terms and Conditions for the National Public Bidding to award a natural gas volume of 70,000,000 m3 per day, the 365 days of each calendar year of the Plan Gas IV, and an additional volume for each winter period from 2021 to 2024.

On December 1, 2020, the Secretariat of Energy issued Resolution No. 354/2020, establishing the parameters for CAMMESA's performance within the Plan Gas IV. This resolution also established the new maximum PIST prices, for each basin, for natural gas production not included in the Plan Gas IV.

On December 15, 2020, the Argentine Secretariat of Energy issued Resolution No. 391/2020, allocating the volumes and prices tendered within the framework of the Plan Gas IV. Such allocation includes the subsequent execution of supply agreements with CAMMESA and other distribution or sub-distribution licensees, regarding the supply of natural gas for power generation and residential consumption, respectively, whose terms and conditions comply with the usual and customary market conditions for comparable agreements between independent parties.

On December 29, 2020, the Secretariat of Energy issued Resolution No. 447/2020, modifying certain aspects of Resolution 391/2020. Among other aspects, this resolution established that, in order to ensure compliance with the payment obligations under the contracts to be executed, the Energy Secretariat, distributors and sub-distributors must deposit in a bank account the amounts they receive, on a monthly basis, for gas in the PIST. These funds must be used exclusively to pay for the natural gas acquired under the contracts executed within the Plan Gas IV.

On February 16, 2021, the Secretariat of Energy issued Resolution No. 117/2020, calling for a public hearing to address the portion of the price of natural gas in PIST to be paid by the federal government under the Plan Gas IV. The hearing was held on March 15, 2021.

On February 21, 2021, given that the gas volumes awarded under the first Plan Gas IV Tender were insufficient to cover the domestic demand projections for the winter periods of 2021, 2022, 2023 and 2024, the Secretariat of Energy issued Resolution 129/2021, calling for a Round 2 of the National Public Tender for the Plan Gas IV.

On the same day, by means of Resolution No. 125/2021, the Secretariat of Energy implemented the tax credit certificates as guarantees under the Plan Gas IV, to support the payment of compensation/incentives to be paid to producers by the federal government. AFIP General Resolution No. 4939/2021, dated March 3, 2021, approved the procedure for the registration, application and designation of such certificates.

By means of Resolution No. 144/2021 issued by the Secretariat of Energy, a series of guidelines were established to avoid unfair practices against the Plan Gas IV in matters related to employment and the direct provision of goods and services on behalf of small and medium-sized businesses and regional companies.

The base volume awarded to Vista Argentina under the tender was 0.86 MMm3/d (30.4 million cubic feet/day) at an average annual price of US$3.29 per million BTU for a four-year term as of January 1, 2021. Vista Argentina ranked fourth in terms of price competitiveness, granting dispatch and export priority, especially for the summer periods (with lower local demand), from a total of 67.4 MMm3/d (2.4 billion cubic feet/day) of natural gas under auction. Pursuant to such award, Vista has committed to invest approximately US$45 million during the four years of the Plan Gas IV.

We cannot assure you that any changes or adverse judicial or administrative interpretations of such regimes, will not adversely affect our results of operations. The restriction or elimination of subsidies would negatively affect the selling price of our products and therefore result in a decrease of our revenues.

Our business requires significant capital investments and maintenance cost.

The oil and natural gas industry is capital-intensive as it requires heavy investments in capital goods. We make and expect to continue to make substantial capital expenditures related to development and acquisition projects and in order to maintain or increase the amount of our hydrocarbon reserves, incurring significant maintenance costs.

We have funded, and we expect that we will continue to fund, our capital expenditures with cash generated by existing operations, debt and our existing cash; however, our financing needs may require us to alter or increase our capitalization substantially through the issuance of debt or equity securities or the sale of assets. We cannot guarantee that we will be able to maintain our current production levels, generate sufficient cash flow or that we will have access to sufficient borrowing or other financing alternatives to continue our exploration, exploitation and production activities at current or higher levels.

Additionally, the incurrence of additional indebtedness would require that a portion of our cash flow from operations be used for the payment of interest and principal on our indebtedness, thereby reducing our ability to use cash flow from operations to fund working capital, capital expenditures and acquisitions. The actual amount and timing of our future capital expenditures may differ materially from our estimates as a result of various factors, including oil and natural gas prices; actual drilling results; the availability of drilling rigs and other services and equipment; and regulatory, technological and competitive developments. We may decrease our actual capital expenditures in response to lower commodity prices, which would negatively impact our ability to increase production.

If our revenues decrease as a result of lower oil and natural gas prices, operating difficulties, declines in reserves or for any other reason, we may have limited ability to obtain the capital necessary to sustain our operations at current levels. If additional capital is needed, we may not be able to obtain debt or equity financing on terms acceptable to us, if at all. If cash flow generated by our operations are not sufficient to meet our capital requirements, the failure to obtain additional financing could result in a curtailment of our operations relating to development of our properties. This, in turn, could lead to a decline in production, and could materially and adversely affect our business, financial condition and results of operations, and the market value of our series A shares or ADSs may decline.

Unless we replace our existing oil and gas reserves, the volume of our reserves will decrease over time.

The production of oil and gas reservoirs decreases as reserves drain with the range of decrease depending on the characteristics of the reservoir. Additionally, the available amount of reserves decreases as reserves are produced and consumed. The future level of oil and gas reserves, as well as the level of production, and therefore of our revenues and cash flows depend on our ability to develop current reserves, and to find or acquire new reserves to be developed. We may not be able to identify commercially exploitable deposits, complete or produce more oil and gas reserves, and the wells we plan to drill may not result in the discovery or production of oil or natural gas. If we are unable to replenish production, the value of our reserves will decline and our financial condition, results of operations, cash flow and market value of our series A shares and ADSs could be negatively affected.

The oil and gas reserves that we estimate are based on assumptions that could be inaccurate.

The information as of December 31, 2020 regarding our proved reserves, included in this document as estimated quantities of proved reserves is derived from estimates as of December 31, 2020 included in the 2020 Reserves Reports prepared by D&M and NSI, third-party experts. Although they are classified as “proved reserves,” the reserve estimates established in the 2020 Reserves Reports are based on certain assumptions that could be inaccurate. Assumptions used by D&M and NSI include oil and gas sale prices determined in accordance with the guidelines established by the SEC, as well as future expenditures and other economic assumptions (including interests, royalties and taxes) as provided by us, in each case as set forth in the 2020 Reserves Reports. For more information please refer to the 2020 Reserves Reports attached hereto as Exhibits 99.1 and 99.2.

The estimation process begins with an initial review of the assets by geophysicists, geologists and engineers. A reserve coordinator ensures the integrity and impartiality of the estimates through the supervision and support of the technical teams responsible for preparing the reserve estimates. We maintain an internal staff of petroleum engineers and geoscience professionals who work closely with our independent reserves engineers, D&M and NSI, to ensure the integrity, accuracy and timeliness of data furnished to D&M and NSI in their estimation process and who

have knowledge of the specific properties under evaluation. Our Chief Operating Officer is primarily responsible for overseeing the preparation of our reserves estimates and for the internal control over our reserves estimation. Reserve engineering is a subjective process to estimate the accumulations in the subsurface which entails a certain degree of uncertainty. Estimates of reserves depend on the quality of the engineering and geology data at the date of estimation and the manner in which it is interpreted.

Many of the factors, assumptions and variables involved in estimating proved reserves are beyond our control and are subject to change over time. Consequently, measures of reserves are not precise and are subject to revision. Any downward revision in our estimated quantities of proved reserves could adversely impact our financial condition and results of operations, and ultimately have a material adverse effect on the market value of our series A shares or ADSs.

In addition, reserve engineering is a subjective process for estimating oil and gas accumulations that cannot be accurately measured, and the estimates of other engineers may differ materially. A number of assumptions and uncertainties are inherent in estimating the amounts that make up the proven reserves of oil and gas, including production forecasts, the time and amount of development expenditures, testing and production after the date of the estimates, the quality of available geological, technical and economic data and its interpretation and judgment, the production performance of reservoirs, developments such as acquisitions and dispositions, new discoveries and extensions of existing fields and the application of improved recovery techniques and the prices of oil and gas, many of which are beyond our control and are subject to change over time. Consequently, measures of reserves are not precise and are subject to revision. Also, the results of drilling, testing, and production after the estimate date may require revisions. The estimate of our oil and gas reserves would be affected if, for example, we were not able to sell the oil and natural gas that we produced. In addition, the estimation of "proved oil and natural gas reserves" based on Argentine Secretariat of Energy Resolution No. 324/2006 and Secretariat of Hydrocarbon Resources Resolution No. 69-E/2016 may differ from the standards required by SEC's regulations. See "Item 4—Information on the Company—History and Development of the Company—Industry and Regulatory Overview—Oil and Gas Regulatory Framework in Argentina—Reserves and Resources Certification in Argentina."

As a result, reserve estimates could be materially different from the amounts that are ultimately extracted, and if such amounts are significantly lower than the initial reserves estimates it could result in a material adverse effect on our financial performance, operating results and the market value of our series A shares and ADSs.

We may not be able to acquire, develop or exploit new reserves, which could adversely affect our financial condition and our results of operations.

Our future success largely depends on our ability to produce oil and gas from existing reserves, to discover additional oil and gas reserves, and to economically exploit oil and gas from these reserves. Unless we are successful in our exploration of oil and gas reserves and their development or otherwise acquire additional reserves, our reserves would show a general decline in oil and gas as long as oil and gas production continue. The drilling activities are also subject to numerous risks and may involve unprofitable efforts, not only with respect to dry wells but also with respect to wells that are productive but do not produce enough net income to derive profit after covering drilling costs and other operating costs. The completion of a well does not assure a return on investment or recovery of the costs of excavation, completion and operating costs. Lower oil and natural gas prices could also affect our growth, including future and pending acquisitions.

There is no guarantee that our future exploration and development activities will be successful, or that we will be able to implement our capital investment program to develop additional reserves or that we will be able to economically exploit these reserves. Such events would adversely affect our financial condition and results of operations and the market value of our series A shares and ADSs could decline.

The lack of availability of transport may limit our possibility of increasing hydrocarbon production and may adversely affect our financial condition and results of operations.

Our capacity to exploit our hydrocarbon reserves largely depends upon the availability of transport infrastructure on commercially acceptable terms to transport the produced hydrocarbons to the markets in which they are sold. Typically, oil is transported by pipelines and tankers to refineries, and gas is usually transported by pipeline to customers. The lack of storage infrastructure, or adequate or alternative charge, or available capacity on existing long-range hydrocarbons transportation systems may adversely affect our financial condition and results of operations.

Developments in the oil and gas industry and other factors may result in substantial write-downs of the carrying amount of our assets, which could adversely affect our financial condition and results of operations.

We evaluate on an annual basis, or more frequently where the circumstances require, the carrying amount of our assets for possible impairment. Our impairment tests are performed by a comparison of the carrying amount of an individual asset or a cash- generating unit with its recoverable amount. Whenever the recoverable amount of an individual asset or cash-generating unit is less than its carrying amount, an impairment loss is recognized to reduce the carrying amount to the recoverable amount.

Changes in the economic, regulatory, business or political environment in Argentina, Mexico or other markets where we operate, such as the lifting of fuel prices controls and the significant decline in international crude oil and gas prices in recent years, among other factors, may result in the recognition of impairment charges in certain of our assets.

Exploration and development drilling may not result in commercially productive reserves.

Drilling involves numerous risks, including the risk that no commercially productive oil or gas reservoirs will be encountered. The cost of drilling, completing and operating wells is often uncertain and drilling operations may be curtailed, delayed or canceled, or become costlier, as a result of a variety of factors, including:

- unexpected drilling conditions;
- unexpected pressure or irregularities in formations;
- equipment failures or accidents;
- construction delays;
- fracture stimulation accidents or failures;
- adverse weather conditions;
- restricted access to land for drilling or laying pipelines;
- title defects;
- lack of available gathering, transportation, processing, fractionation, storage, refining or export facilities;
- lack of available capacity on interconnecting transmission pipelines;
- access to, and the cost and availability of, the equipment, services, resources and personnel required to complete our drilling, completion and operating activities; and
- delays imposed by or resulting from compliance with environmental and other governmental or regulatory requirements.

Our future drilling activities may not be successful and, if unsuccessful, our proved reserves and production would decline, which could have an adverse effect on our future results of operations and financial condition. While all drilling, whether developmental, extension or exploratory, involves these risks, exploratory and extension drilling involves greater risks of dry holes or failure to find commercial quantities of hydrocarbons. We expect that we will continue to record exploration and abandonment expenses during 2021.

Our operations are substantially dependent upon the availability of water and our ability to dispose of produced water gathered from drilling and production activities. Restrictions on our ability to obtain water or dispose of produced water may have a material adverse effect on our financial condition, results of operations and cash flows.

Water is an essential component of both the drilling and completion processes. Limitations or restrictions on our ability to secure sufficient amounts of water (including limitations resulting from natural causes such as drought), could materially and adversely impact our operations. Severe drought conditions can result in local water districts taking steps to restrict the use of water in their jurisdiction for drilling and hydraulic fracturing in order to protect the local water supply. If we are unable to obtain water to use in our operations from local sources, it may need to be obtained from new sources and transported to drilling sites, resulting in increased costs, which could have a material adverse effect on our financial condition, results of operations and cash flows.

Our business plan includes future drilling of shale oil and gas wells; if we are not able to acquire and correctly use the necessary new technologies, as well as obtaining financing and/or partners, our business may be affected.

Our ability to execute and carry out our plan depends on our ability to obtain financing at a reasonable cost and in reasonable conditions. We have identified drilling opportunities and prospects for future drilling related to shale oil and gas reserves, such as shale oil and gas in the Vaca Muerta play. These drilling locations and prospects represent the most important part of our drilling plans for the future. Our ability to drill and develop these locations depend of several factors, including seasonal conditions, regulatory approvals, negotiations of agreements with third parties, commodity prices, costs, availability of equipment, services and personnel, and drilling results. Further, our identified potential drilling locations are in various stages of evaluation, ranging from locations that are ready to drill to locations that will require substantial additional analysis. We cannot predict in advance of drilling and testing whether any particular drilling location will yield oil or natural gas in sufficient quantities to recover drilling or completion costs or to be economically viable. The use of technologies and the study of producing fields in the same area will not enable us to know conclusively prior to drilling whether oil or natural gas will be present or, if present, whether oil or natural gas will be present in sufficient quantities to be economically viable. Even if sufficient amounts of oil or natural gas exist, we may damage the potentially productive hydrocarbon bearing formation or experience mechanical difficulties while drilling or completing the well, possibly resulting in a reduction in production from the well or abandonment of the well. If we drill additional wells that we identify as dry holes in our current and future drilling locations, our drilling success rate may decline and materially harm our business. Further, initial production rates reported by us or other operators may not be indicative of future or long-term production rates. In addition, the drilling and exploitation of such oil and gas reserves depends on our ability to acquire the necessary technology and hire personnel or other means of support for the extraction, and on obtaining financing and partners to develop such activities. Due to these uncertainties, we cannot provide any guarantee as to the sustainability of these drilling activities, that such drilling activities will eventually result in proved reserves, or that we will be able to meet our expectations of success, which could adversely affect our production levels, financial condition and results of operations.

Climate change legislation or regulations restricting emissions of greenhouse gases ("GHGs") and legal frameworks promoting an increase in the participation of energies from renewable sources could significantly impact our industry and result in increased operating costs and reduced demand for the oil and natural gas we produce.

In December 1993, Argentina approved the United Nations Framework Convention on Climate Change ("UNFCCC") by Federal Law No. 24,295. The UNFCCC, which entered into force on March 21, 1994, deals with the stabilization of the GHGs concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.

On February 16, 2005, the Kyoto Protocol to the UNFCCC ("Protocol") entered into force. This Protocol, which deals with the reduction of certain GHGs (carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride) in the atmosphere, which was in force until 2020 as a consequence of the ratification of the Doha Amendment to the Protocol.

Argentina approved the Protocol by Federal Law No. 25,438 on June 20, 2001, and the Doha Amendment by Federal Law No. 27,137 on April 29, 2015.

The 2015 United Nations Climate Change Conference adopted by consensus the Paris Agreement, which is known to be the successor of the Protocol. The agreement deals with GHG emission reduction measures, targets to limit global temperature increases and requires countries to review and "represent a progression" in their intended nationally determined contributions. Countries agreed they will aim to achieve the long term goal to limit global warming to well below 2°C above pre-industrial levels, and pursue efforts to further limit the temperature increase to 1.5°C. On October 5, 2016, the threshold for entry into force of the Paris Agreement was achieved. International treaties together with increased public awareness related to climate change may result in increased regulation to reduce or mitigate GHG emissions. Under Federal Law No. 27,270, dated September 1, 2016, Argentina approved the Paris Agreement.

Furthermore, Argentine Law No. 26,190, as amended and complemented by Law No. 27,191 and its implementing decrees, established a legal framework which promotes an increase in the participation of energies from renewable sources in Argentina's electricity market.

Under Law No. 27,191, by December 31, 2017, 8% of the electric energy consumed must come from renewable sources, reaching 20% by December 31, 2025. It sets five stages to achieve the final goal: (i) 8% by December 31, 2017; (ii) 12% by December 31, 2019; (iii) 16% by December 31, 2021; (iv) 18% by December 31, 2023; and (v) 20% by December 31, 2025. It is within this framework that the Argentine government launched the RenovAr programs. As of December 31, 2018, 2019 and 2020, electric energy originated from renewable sources represented 4.6%, 8.2% and 9.7% of the total demand, respectively, according to the data released by the Argentine Government.

Compliance with legal and regulatory changes relating to climate change, including those resulting from the implementation of international treaties, may in the future increase our costs to operate and maintain our facilities, install new emission controls on our facilities and administer and manage any GHG emissions program. Revenue generation and strategic growth opportunities may also be adversely affected.

The effects upon the oil and gas industry relating to climate change and the resulting regulations and regimes promotion alternative energy resources may also include declining demand for our products in the long-term. In addition, increased regulation of GHG may create greater incentives for the use of alternative energy sources. Any long-term material adverse effect on the oil industry could adversely affect the financial and operational aspects of our business, which we cannot predict with certainty as of the date of this annual report.

Climate change could impact our operating results, access to capital and strategy.

Climate change poses new challenges and opportunities for our business. More stringent environmental regulations can result in the imposition of costs associated with GHG emissions, either through environmental agency requirements relating to mitigation initiatives or through other regulatory measures such as GHG emissions taxation and market creation of limitations on GHG emissions that have the potential to increase our operating costs.

The risks associated with climate change could also manifest in difficulties accessing capital due to reputation issues; changes in the consumer profile, with reduced consumption of fossil fuels; and energy transitions in the world economy, such as the increased use of electric powered vehicles. These factors could have a negative impact on the demand for our products and services and may jeopardize or even impair the implementation and operation of our business, adversely impacting our operating and financial results and limiting our growth opportunities.

Our operations may pose risks to the environment, and any change in the applicable environmental laws could give rise to an increase in our operating costs.

Some of our operations are subject to environmental risks which could materialize unexpectedly and could have a material adverse impact on our financial condition and results of operations. These include the risk of injury, death, environmental damages and remediation expenses, damages to our equipment, civil liability, and administrative action. There can be no assurance that future environmental issues will not result in cost increases which could lead to a material adverse effect on our financial condition and results of operations.

In addition, we are subject to extensive environmental regulation in Argentina and Mexico. Local authorities in the countries in which we operate could impose new environmental laws and regulations, which could require us to incur increased costs to comply with the new standards. The imposition of more stringent regulatory measures and permit requirements the countries in which we operate could give rise to a material increase in our operating costs.

We cannot predict the overall impact that the enactment of new environmental laws or regulations could have on our financial results, results of operations, and cash flows.

Adverse climate conditions may adversely affect our results of operations and our ability to conduct drilling operations.

Adverse climate conditions may lead to, among others, cost increases, drilling delays, power outages, production stoppages and difficulties in transporting the oil and gas produced by us. Any decrease in our oil and gas production could have a material adverse effect on our business, financial condition or results of operations.

Energy saving measures and technological advances may lead to a decline in the demand for oil.

Fuel conservation measures, the demand for alternative fuels, and advances in fuel-saving and power generation technologies may lead to a decline in the demand for oil. Any change in the demand for oil could have a material adverse effect on our financial condition, results of operations, or cash flows.

Shortages and increases in the cost of drilling rigs and oil and gas-related equipment, supplies, personnel, and services may adversely affect our ability to execute our business and development plans.

The demand for drilling rigs, pipelines and other equipment and supplies, and for qualified personnel with experience with the drilling and completion of wells and in field operations, including geologists, geophysicists, engineers and other professionals, tends to fluctuate significantly, typically along with oil prices, giving rise to temporary shortages. Such shortages, and increases in their costs, could adversely affect our business and financial condition.

Our business operations rely heavily on our production facilities.

A material portion of our revenues depends on our principal on-site oil and gas production facilities. While we believe that we maintain adequate insurance coverage and appropriate security measures in respect of such facilities, any material damage to or accident or other disruption at such production facilities could have a material adverse effect on our production capacity, financial condition and results of operations.

Our operations are subject to social risks.

Our activities are subject to social risks, including potential protests of local communities in the places where we operate. Although we are committed to operating in a socially responsible manner, we may face opposition from local communities regarding current and future projects in the jurisdictions in which we operate and may operate in the future, which could adversely affect our business, the results of operations and our financial performance.

Our industry has become increasingly dependent on digital technologies to carry out daily operations.

As dependence on digital technologies has increased, cyber incidents, including deliberate attacks or unintentional events have also increased worldwide. The technologies, systems, and networks that we may implement in the future, and those of our service providers may be the object of cyberattacks or failures to the security of information systems, which could lead to interruptions in critical industrial systems, the unauthorized disclosure of confidential or protected information, data corruption, or other interruptions of our operations. In addition, certain cyber incidents, such as the advanced persistent threat, may not be detected for a prolonged period of time. We cannot assure that cyber incidents will not happen in the future and that our operations and/or our financial performance will not be affected.

Information security risks have generally increased in recent years as a result of the proliferation of new technologies and the increased sophistication and activities of cyber-attacks. We depend on digital technology, including information systems to process financial and operating data, analyze seismic and drilling information and oil and gas reserves estimates. We have increasingly connected equipment and systems to the Internet. Because of the critical nature of their infrastructure and the increased accessibility enabled through connection to the Internet, they may face a heightened risk of cyber-attack. In the event of such an attack, they could have our business operations disrupted, property damaged and customer information stolen, experience substantial loss of revenues, response costs and other financial loss; and be subject to increased litigation and damage to their reputation. A cyber-attack could adversely affect our business, results of operations and financial condition.

Risks Related to our Company

Our limited operating history as a consolidated company and recent acquisitions may make it difficult for investors to evaluate our business, financial condition, results of operations and prospects.

Our limited operating history as a consolidated company may make it difficult for investors to evaluate our business, financial condition, results of operations and prospects. We had no substantial operations prior to the consummation of the Initial Business Combination, and experienced rapid and significant expansion thereafter. Because the historical financial information included elsewhere in this annual report may not be representative of our results as a consolidated company, investors may have limited financial information on which to evaluate us and their investment decision. In addition, our results of operations for the 2018 Successor Period are not directly comparable to our results of operations for the 2018 Predecessor Period and for the year ended December 31, 2017, due to the effects of the Initial Business Combination. Similarly, our results of operations for the years ended December 31, 2019 and 2020 are not directly comparable to our results of operations for the year ended December 31, 2018, due to the effects of the Initial Business Combination. Any statistical or operating data included in this annual report, as it relates to the Predecessor Company prior to the consummation of the Initial Business Combination, is based on data provided to us by the APCO Entities, Pampa Energía and PELSA. We believe it is reliable, but it does not form part of our consolidated operating history. For further information, see "Item 5—Operating and Financial Review and Prospects—Operating results—Note Regarding Comparability of Our Results of Operations."

The historical financial information in this annual report may not be indicative of future results.

Our periodic operating results could fluctuate for many reasons, including many of the risks described in this section, which are beyond our control. Therefore, our past results of operations are not indicative of our future results of operations. Additionally, we believe that the experience of our Management Team constitutes a differentiated source of competitive strength for us. However, the experience of our Management Team in the past (whether in Vista or in other companies) may not be indicative of our future results of operations. For more information regarding our historical condensed consolidated financial information, see "Presentation of Information," "Item 3—Key Information—Consolidated Selected Financial Data" and the Audited Financial Statements and the Supplemental Financial Statements included elsewhere in this annual report.

The results of our planned development programs in new or emerging shale development areas and formations may be subject to more uncertainties than programs in more established areas and formations and may not meet our expectations for reserves or production.

The results of our horizontal drilling efforts in emerging areas and formations in Argentina such as in the Vaca Muerta formation in the Neuquina basin are generally more uncertain than drilling results in areas that are more developed and have more established production. Because emerging areas and associated target formations have limited or no production history, we are less able to rely on past drilling results in those areas as a basis to predict our future drilling results. In addition, horizontal wells drilled in shale formations, as distinguished from vertical wells, utilize multilateral wells and stacked laterals, which requirements could adversely impact our ability to maximize the efficiency of our horizontal wells related to reservoirs drainage over time. Further, access to adequate gathering systems or pipeline takeaway capacity and the availability of drilling rigs and other services may be more challenging in new or emerging areas. If our drilling results are less than anticipated or we are unable to execute our drilling program because of capital constraints, access to gathering systems and takeaway capacity or otherwise, and/or natural gas and oil prices decline, our investment in these areas may not be as economic as we anticipate, we could incur material write-downs of unevaluated properties and the value of our undeveloped acreage could decline in the future.

Part of our strategy involves using some of the latest available horizontal drilling and completion techniques, which involve risks and uncertainties in their application.

Our operations involve utilizing some of the latest drilling and completion techniques as developed by it and its service providers. Risks that we face while drilling horizontal wells include, but are not limited to, the following:

- landing the wellbore in the desired drilling zone;
- staying in the desired drilling zone while drilling horizontally through the formation;
- running casing the entire length of the wellbore; and
- being able to run tools and other equipment consistently through the horizontal wellbore.

Risks that we face while completing wells include, but are not limited to, the following:

- the ability to stimulate the planned number of stages;
- the ability to run tools the entire length of the wellbore during completion operations; and
- the ability to successfully clean out the wellbore after completion of the final fracture stimulation stage.

Our operations and drilling activity are concentrated in areas of high competition such as the Neuquina basin in Argentina, which may affect our ability to obtain the personnel, equipment, services, resources and facilities access needed to complete our development activities as planned or result in increased costs; such concentration also makes us vulnerable to risks associated with operating in a limited geographic area.

As of December 31, 2020, most of our producing properties and total estimated proved reserves were geographically concentrated in the Neuquina basin, located in Argentina. A substantial portion of our operations and drilling activity are concentrated in areas in such basins where industry activity is high. As a result, demand for personnel, equipment, power, services and resources may increase in the future, as well as the costs for these items. Any delay or inability to secure the personnel, equipment, power, services and resources could result in oil, NGL and gas production being below our forecasted volumes. In addition, any such negative effect on production volumes, or significant increases in costs, could have a material adverse effect on our results of operations, cash flow and profitability.

As a result of this concentration, we may be disproportionately exposed to the impact of delays or interruptions of operations or production in this area caused by external factors such as governmental regulation, state politics, market limitations, water or sand shortages or extreme weather-related conditions.

We may be unable to successfully expand our operations.

We compete with the major independent and state-owned oil and gas companies engaged in the E&P sector, including state-owned E&P companies that possess substantially greater financial and other resources than we do for researching and developing E&P technologies, accessing to markets, equipment, labor and capital required to acquire, develop and operate our properties. We also compete for the acquisition of licenses and properties in the countries in which we operate.

The Argentine oil and gas industry is extremely competitive. When we bid for exploration or exploitation rights with respect to a hydrocarbon area, we face significant competition not only from private companies, but also from national or provincial public companies. In fact, the provinces of La Pampa, Neuquén and Chubut have formed companies to carry out oil and gas activities on behalf of their respective provincial governments. The state-owned

energy companies Integración Energética Argentina S.A. ("IEASA," formerly known as Energía Argentina S.A. or "ENARSA"), YPF and other provincial companies (such as Gas y Petróleo del Neuquén S.A. ("G&P") and Empresa de Desarrollo Hidrocarburífero Provincial S.A. are also highly competitive in the Argentine oil and gas market. As a result, we cannot assure that we will be able to acquire new exploratory acreage or oil and gas reserves in the future, which could negatively affect our financial condition and results of operations. There can be no assurance that the participation of IEASA or YPF (or any province-owned company) in the bidding processes for new oil and gas concessions will not influence market forces in such a manner that could have an adverse effect on our financial condition and results of operations.

Our competitors may be able to pay more for productive oil and natural gas properties and exploratory prospects and to evaluate, bid for and purchase a greater number of properties and prospects than our financial or personnel resources permit. Our competitors may also be able to offer better compensation packages to attract and retain qualified personnel than we are able to offer. In addition, there is substantial competition for capital available for investment in the oil and natural gas industry. As a result of each of the foregoing, we may not be able to compete successfully in the future in acquiring prospective reserves, developing reserves, marketing hydrocarbons, attracting and retaining quality personnel or raising additional capital, which could have a material adverse effect on our business, financial condition or results of operations. See "Item 4—Information on the Company—History and Development of the Company—Competition."

We may fail to fully identify problems with any properties we acquire, and as such, assets we acquire may prove to be worth less than we paid because of uncertainties in evaluating recoverable reserves and potential liabilities.

We might seek to acquire additional acreage in Argentina and Mexico and more broadly in Latin America. Successful acquisitions require an assessment of a number of factors, including estimates of recoverable reserves, exploration potential, future oil and natural gas prices, adequacy of title, operating and capital costs and potential environmental and other liabilities. Although we conduct a review of properties we acquire which we believe is consistent with industry practices, we can give no assurance that we have identified or will identify all existing or potential problems associated with such properties or that we will be able to mitigate any problems we do identify. Such assessments are inexact, and their accuracy is inherently uncertain. In addition, our review may not permit us to become sufficiently familiar with the properties to fully assess their deficiencies and capabilities. We do not inspect every well. Even when we inspect a well, we do not always discover structural, subsurface, title and environmental problems that may exist or arise. We are generally not entitled to contractual indemnification for preclosing liabilities, including environmental liabilities. We may acquire interests in properties on an "as is" basis with limited remedies for breaches of representations and warranties. As a result of these factors, we may not be able to acquire oil and natural gas properties that contain economically recoverable reserves or be able to complete such acquisitions on acceptable terms.

We may be unable to integrate successfully the operations of recent and future acquisitions with our operations, and we may not realize all the anticipated benefits of these acquisitions.

Our business has and may in the future include producing property acquisitions that include undeveloped acreage. We can offer no assurance that we will achieve the desired profitability from our recent acquisitions or from any acquisitions we may complete in the future. In addition, failure to assimilate recent and future acquisitions successfully could adversely affect our financial condition and results of operations. Our acquisitions may involve numerous risks, including:

- operating a larger combined organization and adding operations;
- difficulties in the assimilation of the assets and operations of the acquired business, especially if the assets acquired are in a new geographic area;
- risk that oil and natural gas reserves acquired may not be of the anticipated magnitude or may not be developed as anticipated;
- loss of significant key employees from the acquired business;

- inability to obtain satisfactory title to the assets, concessions, or participation interests we acquire;
- a decrease in our liquidity if we use a portion of our available cash to finance acquisitions;
- a significant increase in our interest expense or financial leverage if we incur additional debt to finance acquisitions;
- failure to realize expected profitability or growth;
- failure to realize expected synergies and cost savings;
- coordinating geographically disparate organizations, systems and facilities; and
- coordinating or consolidating corporate and administrative functions.

Further, unexpected costs and challenges may arise whenever businesses with different operations or management are combined, and we may experience unanticipated delays in realizing the benefits of an acquisition. If we complete any future acquisition, our capitalization and results of operation may change significantly, and you may not have the opportunity to evaluate the economic, financial and other relevant information that we will consider in evaluating future acquisitions. The inability to effectively manage the integration of acquisitions could reduce our focus on subsequent acquisition and current operations, which in turn, could negatively impact our results of operations.

We may be subject to unknown or contingent liabilities related to our recent and future acquisitions.

From time to time we undertake evaluations of opportunities to acquire additional oil and gas assets and businesses. Any resultant acquisitions may be significant in size, may change the scale of our business, and may expose us to new geographic, political, operating financial and geological risks. Our success in these acquisition activities depends on our ability to identify suitable acquisition candidates, to acquire them on acceptable terms, and integrate their operations successfully with ours. Any acquisition would be accompanied by risks, such as a significant decline in oil or gas prices; the difficulty of assimilating the operation and personnel; the potential disruption of our ongoing business; the inability of management to maximize our financial and strategic position through the successful integration of acquired assets and businesses; the maintenance of uniform standards, control, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; and the potential unknown liabilities associated with acquired assets and business. In addition, we may need additional capital to finance an acquisition. Debt financing related to any acquisition will expose us to the risk of leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that we would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

We are exposed to foreign exchange risks relating to our operations in Argentina and Mexico.

Our results of operations are subject to foreign exchange fluctuation of the Argentine or Mexican Peso against the U.S. Dollar or other currencies, which could adversely affect our business and results of operations. Both the value of the Mexican Peso and the value of the Argentine Peso have experienced significant fluctuations in the past. The main effects of the depreciation of the Argentine or Mexican Peso against the U.S. Dollar would be on our expenses that are mainly related to imported goods and services, but given several accounting rules it may negatively affect (i) deferred taxes associated with our fixed assets, (ii) current income taxes and (iii) foreign exchange differences associated with our Argentine or Mexican Peso exposure. Additionally, as gasoline, diesel oil and other refined products are sold in local currencies in Argentina and Mexico, sudden foreign exchange fluctuations in such markets may adversely affect the price of domestic sales of crude oil in such countries, which may affect our revenues and cash flow generation.

For example, as regards Argentina, as of December 31, 2020, the peso/US dollar exchange rate stood at AR$ 84.15 per US$1.00, a depreciation of 40.5% compared to the value registered as of December 31, 2019, according to the U.S. Dollar ask rate published by Argentine Central Bank. The value of the peso compared to other currencies is dependent, among other factors, on the level of international reserves maintained by the Argentine Central Bank, which have also shown significant fluctuations in recent years, as well as on the fiscal and monetary policies adopted by the Argentine government. The Argentine macroeconomic environment, in which we operate, was affected by the continued devaluation of the peso, which in turn had a direct impact on our financial and economic position.

We cannot predict whether and to what extent the value of the Argentine or Mexican Peso will depreciate or appreciate against the U.S. Dollar nor the extent to which any such change may affect our business.

In the event of an accident or other occurrence which is not covered by our insurance policies, we may suffer significant losses which may have a material adverse effect on our business and results of operations.

Even though we consider that we have insurance coverages consistent with international standards, there is no assurance concerning the availability or sufficiency of insurance coverage with respect to a particular loss or risk. In the event of an accident or other occurrence in our business which is not covered by insurance under our policies, we may suffer significant losses or be forced to provide compensation in a substantial amount from our own resources, which could have a material adverse effect on our financial condition

We are not concessionaires or operating partners in all of our joint ventures and exploration agreements, and actions taken by the concessionaires and/or operators in these joint ventures and exploration agreements could have a material adverse effect on their success.

Both we and our subsidiaries carry out hydrocarbon E&P activities through unincorporated joint ventures and exploration agreements entered into through agreements with third parties (joint operations for accounting purposes). In some cases, our joint venture or exploration partners, rather than us, hold the rights to the concession or the E&P license contracts. Pursuant to the terms and conditions of such agreements, one of the parties assumes the role of operator, and therefore assumes the responsibility of executing all activities pursuant to the agreement. However, in certain cases, neither we nor our subsidiaries may be able to assume the role of concessionaire and/or operator, and in such cases we would be subject to risks related to the performance of, and the measures taken by, the concessionaire and/or operator to carry out the activities. Such actions could adversely affect our financial condition and operating results. As of December 31, 2020, we were not the operator of Sur Río Deseado Este, Coirón Amargo Sur Oeste, and Acambuco concessions in Argentina, and TM-01 and A-10 concessions in Mexico.

We face risks relating to certain legal proceedings.

We may be parties to labor, commercial, civil, tax, criminal, environmental and administrative proceedings that, either alone or in combination with other proceedings, could, if resolved in whole or in part adversely to us, result in the imposition of material costs, fines, judgments or other losses. While we believe that we have provisioned such risks appropriately based on the opinions and advice of our external legal advisors and in accordance with applicable accounting rules, certain loss contingencies, particularly those relating to environmental matters, are subject to change as new information develops and it is possible that losses resulting from such risks, if proceedings are decided in whole or in part adversely to us, could significantly exceed any accruals we have provided.

As of December 31, 2020, we employed third-party employees under contract, mostly with large domestic and international service providers. Although we have policies regarding compliance with labor and social security obligations for our contractors, we can provide no assurance that the contractors' employees will not initiate legal actions against us seeking indemnification based upon a number of Argentine judicial labor court precedents that established that the ultimate beneficiary of employee services is joint and severally liable with the contractor, which is the employee's formal employer.

In addition, we may be subject to undisclosed liabilities related to labor, commercial, civil, tax, criminal, environmental or other contingencies incurred by businesses we acquired pursuant to the Initial Business Combination or acquire in the future as part of our growth strategy, that we were not or may not be able to identify or that may not be adequately indemnified under our acquisition agreements with the sellers of such businesses, in which case our reputation, business, financial condition and results of operation may be materially and adversely affected.

Our debt obligations include operating and financial restrictions, which may prevent us from pursuing certain business opportunities and taking certain actions.

As of the date of this annual report, the majority of our indebtedness relates to Vista Argentina's obligations under the Credit Agreement which obligations are guaranteed by us, Aluvional Logísitica S.A., Vista Holding I, APCO Argentina and Vista Holding II (together with certain other entities that become a guarantor under the Credit Agreement from time to time, the "Guarantors"), and are denominated in U.S. Dollars. For a description of the Credit Agreement, see "Item 5—Operating and Financial Review and Prospects—Liquidity and Capital Resources—Indebtedness." The Credit Agreement contains a number of restrictive covenants imposing significant operating and financial restrictions on us, on the other Guarantors and on Vista Argentina. These restrictions may limit our ability to:

- create liens on certain assets to secure debt, or create liens to secure debt exceeding certain amounts;
- dispose assets;
- merge or consolidate with another person or sell or otherwise dispose of all or substantially all of its or our assets;
- change its or our existing line of business;
- declare or pay any dividends or return any capital, other than certain limited payments;
- make certain investments in bonds and capital stock, among others;
- enter into transactions with affiliates;
- change our existing accounting practices (except if required or permitted by applicable law and accounting rules); and
- modify or terminate the organizational documents of Vista Argentina or any Guarantor.

In addition, as further described in Note 18.1 to the Audited Financial Statements, the Credit Agreement includes some financial covenants by which we are required to maintain, on a consolidated basis, certain financial ratios within specified limits. These ratios include:

- consolidated total debt / consolidated EBITDA; and
- consolidated interest coverage ratio.

These covenants could limit our ability to finance our future operations and capital needs and our ability to pursue business opportunities and activities that may be of commercial interest.

A breach of any covenant contained in the Credit Agreement could result in a default under this agreement. If any such default occurs, the administrative agent or the required lenders could elect to declare the indebtedness, together with accrued interest and other fees, to be immediately due and payable. If the Credit Agreement were to be accelerated, the assets of Vista Argentina and those of each of the Guarantors, may not be sufficient to repay in full that debt, or any other debt that may become due as a result of that acceleration, and consequently, it could materially and adversely affect our business, financial condition, results of operations and prospects. See "Item 5—Operating and Financial Review and Prospects—Liquidity and Capital Resources——Indebtedness" for more information.

We are subject to Mexican, Argentine and international anti-corruption, anti-bribery and anti-money laundering laws. Our failure to comply with these laws could result in penalties, which could harm our reputation and have an adverse effect on our reputation, business, financial condition and results of operations.

The United States Foreign Corrupt Practices Act of 1977, the United Kingdom Bribery Act 2010 (the "U.K. Bribery Act"), the Organization for Economic Co-Operation and Development Anti-Bribery Convention, the Mexican Administrative Responsibilities Law (*Ley General de Responsabilidades Administrativas*), the Argentine Corporate Criminal Liability Law (*Ley de Responsabilidad Penal Empresaria*) and other applicable anti-corruption laws in other relevant jurisdictions prohibit companies and their intermediaries from offering or making improper payments (or giving anything of value) to government officials and/or persons in the private sector for the purpose of influencing them or obtaining or retaining business and require companies to keep accurate books and records and maintain appropriate internal controls. The U.K. Bribery Act also prohibits such payments or financial or other advantages being made, offered or promised to or from commercial parties and makes it a criminal offense for a commercial organization to fail to prevent bribery by an associated person (i.e., someone who provides services on behalf of the organization) intending to obtain or retain business or an advantage in the conduct of business on its behalf. In particular, the Argentine Corporate Criminal Liability Law provides for the criminal liability of corporate entities for criminal offences against public administration and transnational bribery committed by, among others, its attorneys-in-fact, directors, managers, employees, or representatives. In this sense, a company may be held liable and subject to fines, cancelation of legal personality and/or suspension of its activities, among other penalties, if such offences were committed, directly or indirectly, with its intervention, or in its behalf, interest or benefit. Furthermore, the Mexican Anti-Money Laundering Law (*Ley Federal para la Prevención e Identificación de Operaciones con Recursos de Procedencia Ilícita*), the Argentine Anti-Money Laundering Law (*Ley de Prevención del Lavado de Activos*), Sections 303-306 of the Argentine Criminal Code *(Código Penal de la República Argentina),* and other applicable anti-money laundering and counter financing of terrorism regulations, prohibit the engagement in transactions with the purpose of intruding funds obtained through illicit activities into the institutional system and thus masking gains obtained through illegal activities as assets derived from legitimate sources, and the use of funds for terrorist activities.

In addition, we are subject to economic sanctions regulations that restrict our dealings with certain sanctioned countries, individuals and entities.

It may be possible that, in the future, there may emerge in the press allegations of instances of misbehavior on the part of former agents, current or former employees or others acting on our behalf or on the part of public officials or other third parties doing or considering business with us. While we will endeavor to monitor such press reports and investigate matters which we believe warrant an investigation in keeping with the requirements of compliance programs, and, if necessary make disclosure and notify the relevant authorities, any adverse publicity which such allegations attract might have a negative impact on our reputation and lead to increased regulatory scrutiny of our business practices. In line with this we have adopted a code of ethics that applies to all of Vista's officers and employees and third parties (contractors, suppliers, partners) which interact with Vista. Our code of ethics defines the way in which we do our businesses, and it is designed to help us to comply with our obligations, to respect one another at the workplace and to act with integrity in the market. Our code of ethics expressly sets forth, among other matters, that no one shall offer, in the name of Vista, directly or indirectly through third parties, anything of value to a public officer, or to his/her representatives, and particularly for the purposes of obtaining or maintain a business, influencing the business decisions or assuring an unfair advantage. Additionally, Vista's mission to conduct business in an ethical manner also entails the commitment of maintaining accuracy in our accounting books, financial statements and accounting records. Our accounting records, including our financial statements, management reports, contracts and agreements, must always be accurate and reflect the economic facts and transactions with integrity and accuracy, pursuant to the professional accounting standards and the laws governing Vista. All of Vista's transactions, regardless of their amount, must be properly authorized, executed and recorded. Upon a determination that our codes of ethics has been violated, the company shall take any applicable disciplinary actions.

If we or individuals or entities that are or were related to us are found to be liable for violations of applicable anti-corruption laws or other similar laws (either due to our own acts or our inadvertence, or due to the acts or inadvertence of others), we or other individuals or entities could suffer from civil and criminal penalties or other sanctions, which in turn could have a material adverse impact on our reputation, future business, financial condition and results of operations.

We rely on key third-party suppliers, vendors and service providers to provide us with parts, components, services and critical resources that we need to operate our business.

Companies operating in the energy industry, specifically the oil and gas sector, commonly rely upon various key third-party suppliers, vendors and service providers to provide them with parts, components, services and critical resources, needed to operate and expand their business. If these key suppliers, vendors and service providers fail to deliver, or are delayed in delivering, equipment, service or critical resources, we may not meet our operating targets in the expected time frame, which could have an adverse effect on our business, financial condition, results of operations, cash flows and/or prospects.

Our operations in the industry could be susceptible to the risks of performance, product quality and financial conditions of our key suppliers, vendors and service providers. For instance, their ability to adequately and timely provide us with parts, components, services and resources critical to our operations may be affected if they are facing financial constraints or times of general financial stress and economic downturn. There can be no assurance that we will not encounter supply disruptions in the future or that we will be able to timely replace such suppliers or service providers that are not able to meet our needs, which might adversely affect a successful execution of our operations, and consequently, our business, financial condition, results of operations, cash flows and/or prospects.

We employ a highly unionized workforce and could be subject to labor actions such as strikes, which could have a material adverse effect on our business.

The sectors in which we operate are highly unionized. We cannot assure that we or our subsidiaries will not experience labor disruptions or strikes in the future, which could result in a material adverse effect on our business and returns. Moreover, the sharp deterioration of the global economy as a consequence of the COVID-19 pandemic may have an impact on the amount of labor actions initiated by our workforce during 2021 and subsequent years.

In addition, we cannot assure that we will be able to negotiate new collective bargaining agreements in the same terms as those currently in force or that we will not be subject to strikes or labor interruptions before or during the negotiation process of said agreements. The collective bargaining agreement for the period October 2020 to May 2021 was signed on October 16, 2020. In the future, if we are unable to renegotiate the collective bargaining agreement in satisfactory terms or are subject to strikes or labor interruptions, our results of operations, financial condition and the market value of our shares could be materially affected.

Our performance is largely dependent on recruiting and retaining key personnel.

Our current and future performance and business operations depend on the contributions of our Management Team, our engineers, and other employees. We rely on our ability to attract, train, motivate, and retain qualified and experienced administrative staff and specialists. No assurance can be given that we will be able to attract and retain personnel for key positions, and replacing any of our key employees could prove difficult and time consuming. The loss of the services and experience of any of our key employees, or our inability to recruit a suitable replacement or additional staff, could have a material adverse effect on our operations, cash flows and/or expectations.

We may be adversely affected by changes in LIBOR reporting practices or the method in which LIBOR is determined, or by variations in interest rates, including the planned discontinuation of LIBOR.

As of the date of this annual report, our outstanding debt included loans indexed to the London Interbank Offered Rate (“LIBOR”). In an announcement on 27 July 2017, the U.K. Financial Conduct Authority (FCA), which is the competent authority for the regulation of benchmarks in the UK, advocated a transition away from reliance on LIBOR to alternative reference rates and stated that it would no longer persuade or compel banks to submit rates for the calculation of the LIBOR rates after December 31, 2021 (the “FCA Announcement”). The FCA Announcement formed part of ongoing global efforts to reform LIBOR and other major interest rate benchmarks. At this time, the nature and overall timeframe of the transition away from LIBOR is uncertain and no consensus exists as to what rate or rates may become accepted alternatives to LIBOR. On 25 March 2020, the FCA stated that although the central assumption that firms cannot rely on LIBOR being published after the end of 2021 has not changed, there has been impact on the timing of some of the transition milestones due to the recent COVID-19 pandemic.

It is not possible to predict the further effect of the rules of the FCA, any changes in the methods by which LIBOR is determined, or any other reforms to LIBOR that may be enacted in the United Kingdom, the European Union or elsewhere. Any such developments may cause LIBOR to perform differently than in the past, or cease to exist. It is also not possible to predict whether the global COVID-19 crisis will have further effects on the LIBOR transition plans. In addition, any other legal or regulatory changes made by the FCA, ICE Benchmark Administration Limited, the European Money Markets Institute (formerly Euribor-EBF), the European Commission or any other successor governance or oversight body, or future changes adopted by such body, in the method by which LIBOR is determined or the transition from LIBOR to a successor benchmark may result in, among other things, a sudden or prolonged increase or decrease in LIBOR, a delay in the publication of LIBOR, and changes in the rules or methodologies in LIBOR, which may discourage market participants from continuing to administer or to participate in LIBOR's determination, and, in certain situations, could result in LIBOR no longer being determined and published. If a published U.S. Dollar LIBOR rate is unavailable after December 31, 2021, the interest rates on our debt which is indexed to LIBOR will be determined using various alternative methods, any of which may result in interest obligations which are more than or do not otherwise correlate over time with the payments that would have been made on such debt if U.S. Dollar LIBOR was available in its current form. Further, the same costs and risks that may lead to the discontinuation or unavailability of U.S. Dollar LIBOR may make one or more of the alternative methods impossible or impracticable to determine. Any of these proposals or consequences could have a material adverse effect on our financing costs.

Additionally, we are exposed to the fluctuations of the variable interest rates applicable to our indebtedness. We may also incur additional variable-rate debt in the future. Increases in interest rates on variable-rate debt would increase our interest expense, which would negatively affect our financial costs.

Risks Related to the Argentine and Mexican Economies and Regulatory Environments

Our business is largely dependent upon economic conditions in Argentina.

Substantially all of our operations, properties and customers are located in Argentina, and, as a result, our business is largely dependent on economic conditions prevailing in Argentina. The changes in economic, political, and regulatory conditions in Argentina and measures taken by the Argentine government may have a significant impact on us. You should make your own assessment about Argentina and prevailing conditions in the country before making an investment decision.

The Argentine economy has experienced significant volatility in past decades, including numerous periods of low or negative growth and high and variable levels of inflation and currency devaluation. We cannot assure that the growth rate experienced over past years will be maintained in subsequent years or that the national economy will not suffer a recession. If economic conditions in Argentina were to deteriorate, if inflation were to accelerate further, or if the Argentine government's measures to attract or retain foreign investment and international financing in the future are unsuccessful, such developments could adversely affect Argentina's economic growth and in turn affect our financial health and results of operations.

Argentine economic conditions are dependent on a variety of factors, including (but not limited to) the following:

- international demand for Argentina's principal exports;
- international prices for Argentina's principal commodity exports;
- stability and competitiveness of the Argentine Peso with respect to foreign currencies;
- competitiveness and efficiency of domestic industries and services;
- levels of domestic consumption and foreign and domestic investment and financing; and
- the rate of inflation.

The Argentine economy is also particularly sensitive to local political developments. Presidential elections take place in Argentina every four years and legislative elections every two years, resulting in the partial renewal of both chambers of Congress. The next presidential election is scheduled for October 2023 and the next legislative elections are scheduled to be held on October 24, 2021. The result of presidential as well as legislative mid-term and full term elections may lead to changes in government policies that impact upon the Company. We cannot give you any assurance as to whether such changes will occur or as to their timing, nor can we estimate the impact they may have on our business.

Additionally, Argentina's economy is also vulnerable to adverse developments affecting its principal trading partners. A continued deterioration of economic conditions in Brazil, Argentina's main trading partner, and a deterioration of the economies of Argentina's other major trading partners, such as China or the United States, could have a material adverse impact on Argentina's balance of trade and adversely affect Argentina's economic growth and may consequently adversely affect our financial health and results of operations. Furthermore, a significant devaluation of the currencies of our trading partners or trade competitors may adversely affect the competitiveness of Argentina and consequently adversely affect Argentina's economic and our financial health and results of operations. Argentina may be ill prepared to tackle the economic impact of the COVID-19 pandemic and related restrictions due to the vulnerability of the Argentine economy from a fiscal and monetary perspective, among other macroeconomic variables, which may result a great impact Argentina than other countries in the region.

Economic and political developments in Argentina may adversely and materially affect our business, results of operations and financial condition.

Presidential and federal congressional elections in Argentina were held in October 2019, where Alberto Fernandez of the *Frente de Todos coalition* was elected with approximately 48.24% of the votes. The new administration took office on December 10, 2019. The impact of a different administration on the future economic and political environment are still uncertain, but likely to be material. On March 10, 2019 provincial Governor and Congressional elections took place in the Province of Neuquén where Governor Omar Gutierrez of local political party *Movimiento Popular Neuquino* was reelected with approximately 39.92% of the votes.

The Argentine economy has experienced significant volatility in recent decades, characterized by periods of low or negative growth, high levels of inflation and currency devaluation. As a consequence, our business and operations could in the future be, affected from time to time to varying degrees by economic and political developments and other material events affecting the Argentine economy, such as: inflation; price controls; foreign exchange controls; fluctuations in foreign currency exchange rates and interest rates; governmental policies regarding spending and investment, national, provincial or municipal tax increases and other initiatives increasing government involvement with economic activity; civil unrest and local security concerns. You should make your own investigation into Argentina's economy and its prevailing conditions before making an investment in us.

The Argentine economy remains vulnerable, as reflected by the following economic conditions:

- inflation remains high and may continue at similar levels in the future: according to a report published by Argentine National Institute of Statistics (*Instituto Nacional de Estadísticas y Censos*, or "INDEC"), cumulative consumer price index ("CPI") for the year 2020 was 36.1%.
- according to the revised calculation published by the INDEC on March 23, 2020, gross domestic product ("GDP") decreased by 9.9% in 2020 compared to 2019. For comparison purposes, it should be noted that GDP decreased by 2.1% in 2019 and decreased 2.6% in 2018. Argentina's previous GDP performance has depended to some extent on high commodity prices that, despite having a favorable long-term trend, are volatile in the short-term and beyond the control of the Argentine government and private sector;
- Argentina's public debt as a percentage of GDP remains high (90.2% as of December 31, 2019);
- the discretionary increase in public spending has resulted and continues to result in fiscal deficits. The primary fiscal deficit recorded for 2019 was Ps.95.1 billion;

- a significant number of protests or strikes could take place, as they did in the past, which could adversely affect various sectors of the Argentine economy, including the oil and gas extraction industry;
- energy or natural gas supply may not be sufficient to supply industrial activity (thereby limiting industrial development) and consumption;
- unemployment and informal employment remain high: according to INDEC, unemployment rate was of 11.0% in the fourth quarter of 2020;
- demand for foreign currency could grow, generating a capital flight effect as in recent years;

On December 20, 2019, the Argentine Congress enacted the Solidarity Law (as defined below), declaring public emergency on the economic, financial, fiscal, administrative, social and energetic fronts, among others, thus delegating in the Argentine Executive Branch the ability to ensure the sustainability of public indebtedness, regulate the public utilities tariffs through an integral review of the current tariff regime and the intervention of supervisory entities, among others. The Solidarity Law established the restructuring of the energy tariff scheme and froze the natural gas and electricity tariffs. In addition, the Solidarity Law entitled the Argentine Executive Branch to intervene the ENARGAS and the ENRE. This regulation may generate difficulties in the Argentine economy, and the compliance of its financial obligations, which might negatively affect our business, financial condition and results of operations; and

On June 7, 2018, the Argentine government and the International Monetary Fund (the "IMF") announced that a technical agreement on a US$50 billion three-year stand-by agreement was reached (the "SBA"), subject to approval by the IMF's Executive Board, which will consider Argentina's economic plan. On June 20, 2018, the IMF's Executive Board approved the aforementioned agreement. The SBA was intended to provide support to the Argentine government's economic program, helping build confidence, reduce uncertainties and strengthen Argentina's economic prospects. Overall, Argentina has received disbursements under the agreement for approximately US$44 billion. The Fernández Administration that took office in December 2019 indicated its intention to pursue a sovereign debt restructuring designed to render Argentina's debt sustainable. To that effect, legislation was enacted by Congress empowering the Argentine Executive Branch to conduct such transactions. In addition, the Fernández administration also publicly announced that they will refrain from requesting additional disbursements under the SBA, and instead vowed to renegotiate its terms and conditions in good faith. On April 5, 2020, the Argentine government issued the Decree 346/2020, through which all principal and interest payments due on outstanding Argentine-law governed U.S. dollar-denominated treasury notes were deferred until December 31, 2020 or such earlier date as may be determined by the Argentine Ministry of Economy taking into account the status and outcome of the debt restructuring process announced by the Argentine government to restore the sustainability of public debt. The Argentine government's decision excluded certain instruments from the deferral, such as (i) treasury notes issued to and held by the Argentine Central Bank, (ii) treasury notes issued pursuant to Decree No. 668/2019, (iii) the Bonos Programa Gas Natural, and (iv) the guarantee notes issued pursuant to Resolution No. 147/17, among others. On April 21, 2020, Argentina commenced an offer to exchange bonds issued under Argentina's indentures dated as of June 2, 2005 and April 22, 2016 for certain new bonds to be issued under the April 22, 2016 indenture with the aim of achieving a sustainable debt profile for the country. Additionally, the exchange offer contemplated the use of collective action clauses included in such indentures, whereby the decision by certain majorities will be conclusive and binding on those bondholders that do not enter into the exchange offer. On August 18, 2020, the Argentine government offered holders of its foreign currency bonds governed by Argentine law to exchange such bonds for new bonds, on terms that were equitable to the terms of the invitation made to holders of foreign law-governed bonds. On September 18, 2020, the Argentine government announced that holders representing 99.4% of the aggregate principal amount outstanding of all series of eligible bonds invited to participate in the local exchange offer had participated. As a result of the exchange offer, the average interest rate paid by Argentina's foreign currency bonds governed by Argentine law was lowered to 2.4%, compared to an average interest rate of 7.6% prior to the exchange. In addition, the exchange offer extended the average maturity of such bonds. As of the date of this annual report, the Argentine government has initiated negotiations with the IMF in order to renegotiate the principal maturities of the US$44.1 billion disbursed between 2018 and 2019 under a SBA, originally planned for the years 2021, 2022 and 2023. We cannot assure whether the Argentine government will be successful in the negotiations with that agency, which could affect its ability to implement reforms and public policies and boost economic growth, nor the impact of the result that renegotiation will have in Argentina's ability to access international capital markets (and indirectly in our ability to access those markets) to access international capital markets, in the Argentine economy or in our economic and financial situation or in our capacity to extend the maturity dates of our debt or other conditions that could affect our results and operations or businesses.

As in the recent past, Argentina's economy may be adversely affected if political and social pressures inhibit the implementation of certain policies designed to control inflation, generate growth and enhance consumer and investor confidence, or if policies implemented by the Argentine government that are designed to achieve these goals are not successful. These events could materially adversely affect our financial condition and results of operations.

Any decline in economic growth, increased economic instability or an expansion of economic policies and measures taken by the Argentine government to control inflation or address other macroeconomic developments that affect private sector entities such as us, all developments over which we have no control, could have an adverse effect on our business, financial condition or results of operations.

In the event of any economic, social or political crisis, the Argentine government's ability to obtain additional international or multilateral private financing or direct foreign investment may also be limited, which may in turn impair its ability to implement reforms and public policies to foster economic growth, as well as impair its ability to service its outstanding debt obligations, all of which could have an adverse effect on our business, financial condition or results of operations. In such scenario, companies operating in Argentina may also face the risk of strikes, expropriation, nationalization, forced modification of existing contracts, and changes in taxation policies including tax increases and retroactive tax claims. In addition, Argentine courts have issued rulings changing the existing case law on labor matters and requiring companies to assume greater responsibility for, and assumption of costs and risks associated with, sub-contracted labor and the calculation of salaries, severance payments and social security contributions. Since we operate in a context in which the governing law and applicable regulations change frequently, it is difficult to predict if and how our activities will be affected by such changes.

Our operations are subject to extensive and changing regulation in the countries in which we operate.

The oil and gas industry is subject to extensive regulation and control by governments in which companies like ours conduct operations, including laws, regulations and rules enacted by federal, state, provincial and local governments. These regulations relate to the award of exploration and development areas, production and export controls, investment requirements, taxation, price controls and environmental aspects, among others. As a result, our business is to a large extent dependent upon regulatory and political conditions prevailing in the countries in which we operate, as described below, and our results of operations may be materially and adversely affected by regulatory and political changes in these countries.

We cannot assure you that changes in applicable laws and regulations, or adverse judicial or administrative interpretations of such laws and regulations, will not adversely affect our results of operations. Similarly, we cannot assure you that future government policies will not adversely affect the oil and gas industry.

We also cannot provide assurances that concessions will be extended in the future as a result of the review by the controlling entities regarding the investment plans presented for analysis or that additional requirements to obtain extensions of permits and concessions will not be imposed.

Furthermore, there can be no assurance that regulations or taxes (including royalties) enacted by the provinces or states in which we operate will not conflict with federal law and regulations, and that such taxes or regulations will not adversely affect our results of operations or financial condition.

Argentina

The Argentine hydrocarbons industry is extensively regulated by federal, provincial, and municipal regulations in matters including the award of exploration permits and exploitation concessions, investment, royalty, price controls, export restrictions and domestic market supply obligations. The Argentine government is further empowered to design and implement federal energy policy, and has used these powers before to establish export restrictions on the free disposition of hydrocarbons and export proceeds and to impose duties on exports, to induce private companies to enter into pricing agreements with the government or, more recently, to impose price agreements among producers and refiners or create fiscal incentive programs to promote increased production. Additionally, given that it cannot be guaranteed that regulations or taxes sanctioned or administered by the provinces will not conflict with national laws, jurisdictional controversies among the federal government and the provinces are not uncommon.

For example, the Solidarity Law sets forth that the Argentine Executive Branch is entitled to set export duties up to a maximum of 33% of the exported goods until December 31, 2021. The Solidarity Law also established a cap of 8% for the export duties for hydrocarbons and mining products. On May 18, 2020, the Argentine government issued Decree No. 488/2020 reducing duties for hydrocarbons and mining products from the previous 12% to 8%. See "Item 3—Key Information—Risk Factors—Risks Related to our Business and Industry—We are exposed to the effects of fluctuations and regulations in the domestic prices of oil and gas, which may limit our ability to increase the price of our oil and gas products"

Any such controversies, limitations or export restrictions or any other measures imposed by Argentine authorities could have a material adverse effect on our future business, financial condition, results of operations, cash flows and/or prospects and as a consequence, the market value of our series A shares or ADSs may decline.

In addition, the Solidarity Law empowered the Argentine Executive Branch to "maintain" natural gas tariffs under federal jurisdiction, renegotiate the integral tariff revision or initiate an extraordinary revision in accordance with Laws No. 24,065 and No. 24,076. See "Item 4—Information on the Company—Industry and Regulatory Overview—Oil and Gas Regulatory Framework in Argentina—The Social Solidarity and Productive Reactivation Law".

Mexico

As of the second quarter of 2021, the Hydrocarbons Law has undergone certain amendments proposed by the current federal administration, mainly affecting the permit regime applicable to midstream and downstream activities, such as processing, refining, export, import, transport, storage, distribution, commercialization, and sale to the public of hydrocarbons, petroleum products or petrochemicals. The amendments consist on: (i) requiring permit holders to comply with the storage policies issued by SENER (i.e. the Policy regarding Minimum Storage of Petroleum Products and the Policy regarding Natural Gas Storage), (ii) amending the current procedure to obtain authorization from CRE or SENER to assign permits providing that the lack of response from the authority shall be interpreted as a negative response, (iii) including new revocation causes of the permits when its beneficiaries carry out illegal conducts (i.e. illicit trade or improper measurement), and (iv) granting authority to CRE and SENER to suspend granted permits, as well as to temporary occupy facilities and intervene in the operations of the permit holders in the event of imminent danger to national security, energy security or to the national economy. Regarding the minimum storage requirements mentioned in item (ii) above, it is important to note that SENER may issue new policies or amend the existing ones in order to implement a broader scope of their application.

Even if such amendments do not seem to have a direct impact on the upstream sector in Mexico, we cannot assure there will be no impacts on our value chain. Given the lack of judicial precedents on the energy legal framework and, specifically, in regards the recent amendments, it is uncertain how they could be interpreted by a court or governmental authority in practice. We therefore cannot predict the manner in which these amendments may affect our operations and ability to complete additional acquisitions in Mexico and/or our future business, financial condition, results of operations, cash flows and/or prospects or whether any shift on the interpretation of the legal framework and/or use of powers by current authorities may affect the energy sector.

Moreover, during the past months, there has been a delay on the issuance of permits to carry out gasoline retailing activities. This circumstance may generate certain benefits to Pemex due to the limitation of the competition in the gasolines retail market across the country. Regarding the hydrocarbon's importation and exportation permits, on December 26, 2020, the Ministry of Economy, using statutory powers, modified the term for long-term permits from 20 years to 5 years as the new maximum term, and imposed certain additional requirements which the applicants shall meet in order to obtain such permits. Additionally, the amendments implemented by the Ministry of Economy allow it to deny the granting of such permits without a justified cause. All these modifications may entail difficulties for competition in the hydrocarbon's importation and exportation market.

Additionally, on March 26, 2021, President López Obrador, introduced a bill of reform to amend the Hydrocarbons Law (*Ley de Hidrocarburos*) to the Chamber of Deputies. In general terms, the bill intends to affect the permit regime currently set forth in the Hydrocarbons Law, by granting greater powers to the Ministry of Energy (SENER) and the CRE to grant, review and revoke the different permits contemplated in the Hydrocarbons Law. The main objectives of the bill include, among others, are: (i) the fulfillment of the public policy of minimum storage of petroleum products; (ii) increasing the regulation of the revocation of existing permits; (iii) combating fuel theft (illegal bunkering); and (iv) allowing for the suspension of permits in the event of a national security issue.

Moreover, the bill attempts to wrestle back public control of Mexico's fuel sales sector. We anticipate that the bill will likely have a greater impact on entities in the downstream and midstream segments. The amendments introduced by the bill may potentially affect all kinds of permits, indistinctly, resulting in SENER and CRE having the ability to: (i) revoke, suspend or intervene, export and commercialization permits of hydrocarbons; (ii) liquefaction, transportation and storage of natural gas, oil or petroleum products; and (iii) import, commercialization, distribution and retail of petroleum products.

While the bill, in principle, does not seem to affect the activities of hydrocarbons exploration and production under our E&P license contracts, it is important to note that, given the broad authority granted to the CRE and SENER, the bill may potentially impact our sale of crude oil and natural gas, as such activity is executed through our commercialization permit granted by the CRE (and may indirectly affect the development of our E&P activities under our license contracts).

The bill is expected to be passed by the Mexican Senate before the end of the current legislative period on April 30, 2021.The bill's entry into force is subject to discussion and approval by the Mexican Congress and, if applicable, its subsequent publication in the Official Gazette of Mexico.

As of the date of this annual report, the president's political party holds a qualified majority in the Chamber of Deputies and an absolute majority in the Mexican senate. Even if the aforementioned examples affect the gasoline and electric power markets, we cannot provide any assurances that the Mexican government will construe or enforce or enact new laws, rules and/or regulations regarding the upstream sector or that there will not be any material change to the oil and gas legal framework, which could adversely affect our business and prospects in Mexico.

Measures adopted by the antitrust authority in Mexico could have a material adverse effect on our results and financial condition.

The Mexican Federal Economic Competition Commission ("COFECE") is the antitrust authority in Mexico with jurisdiction over a number of sectors of the Mexican economy, including the oil and gas sector, and as such, has jurisdiction over the activities conducted by Vista. The Mexican government has granted COFECE broad powers to investigate and prosecute absolute monopolistic practices (cartel activity), relative monopolistic practices (abuse of dominance) and illegal concentrations, as well as to prevent concentrations which could have anticompetitive effects. Additionally, COFECE can determine the existence of essential facilities and regulate their access and identify barriers to entry and issue recommendations to federal, local and municipal authorities to eliminate such barriers and encourage competition. Therefore, many of our activities may be reviewed by COFECE and, in the particular case of equity transactions involving certain monetary and ownership thresholds, we may be required to notify COFECE of our intent to enter into such transactions and the consummation of such transactions may be subject to COFECE's authorization in accordance with applicable Mexican laws. As a result, the closing of pending or future acquisitions of assets or common shares in the Mexican market may be subject to the satisfaction or waiver of customary closing conditions, including, among others, the authorization of COFECE. Completion of such transactions is not assured, and they will be subject to risks and uncertainties, including the risk that the necessary regulatory approvals are not obtained or that other closing conditions are not satisfied. If such transactions are not completed, or if they are otherwise subject to significant delays, it could negatively affect the trading prices of our common shares and our future business and financial results.

Further, COFECE might decide to impose penalties or establish conditions on our business if we are unable to request or receive, or are delayed in requesting or receiving, the aforesaid authorizations and, if these were to materialize, such claims could have a material adverse effect on our results and financial condition. Similarly, it cannot be guaranteed that the authorizations that have not been obtained can be obtained or can be obtained without conditions. Failure to obtain those authorizations, or the conditions to which they may be subject, could have a material adverse effect on our results and financial condition.

Certain risks are inherent in any investment in a company operating in an emerging market such as Argentina and Mexico.

Argentina and Mexico are emerging market economies and investing in emerging markets generally carries risks. These risks include political, social and economic instability that may affect Argentina's and Mexico's economic results which can stem from many factors, including the following:

- high interest rates;
- abrupt changes in currency values;
- high levels of inflation;
- exchange controls;
- wage and price controls;
- regulations to import equipment and other necessities relevant for operations;
- changes in governmental economic, administrative or tax policies;
- political and social tensions.
- the impact of hostilities or political problems in other countries could affect international trade, the price of commodities and the global economy; and
- ability to obtain financing from international markets.

Any of these factors, as well as volatility in the capital markets, may adversely affect our business, results of operations, financial condition, the value of our series A shares and ADSs, and our ability to meet our financial obligations.

We are or could be subject to direct and indirect restrictions on imports and exports under Argentine law.

The Hydrocarbons Law allows hydrocarbons exports, as long as such volumes are not required for the Argentine domestic market and as long as these are sold at reasonable prices. In the case of natural gas, Argentine Law No. 24,076 and the related regulations require that all domestic market needs be considered when authorizing long-term exports of natural gas. In this sense, the SdE may authorize export operations of natural gas surplus provided they are subject to interruption upon local supply shortages.

In recent years, Argentine authorities have adopted certain measures which resulted in restrictions on the exports of natural gas from Argentina. Because of these restrictions, oil and gas companies have been forced to sell part of their natural gas production in the local market that was originally intended for the export market and have been unable in certain cases to comply wholly or partially with their export commitments.

Crude oil and oil by-products exports operations currently require prior registration with the Registry of Export Operations Agreements (*Registro de Contratos de Operaciones de Exportación*) and authorization by the Argentine Secretariat of Energy (pursuant to the regime established under Resolution S.E. No. 241-E/2017 and its further amendments and supplements). Oil companies and oil refineries that intend to export crude oil, liquid petroleum gas or diesel, among others, must first demonstrate, prior to obtaining authorization, that the offer to sell that product has already been made to, and rejected by, local buyers.

On March 21, 2017, through Decree No. 192/2017, as amended by Decree No. 962/2017, the SdE created a temporary Registry for Import Operations of Crude Oil and By-Products. Through this regulation, any company that intended to carry out import operations had the obligation to register the operation in this Registry and obtain the authorization from the SdE before the import takes place. The abovementioned Registry and the obligation to register and obtain authorization for import operations of crude oil and specific by-products was in force until December 31, 2017.

The Solidarity Law sets forth that the Argentine Executive Branch is entitled to set export duties up to a maximum of 33% of the exported goods until December 31, 2021. The Solidarity Law also establishes a cap of 8% for the export duties for hydrocarbons and mining products. On May 18, 2020, the Argentine government issued Decree No. 488/2020 reducing duties for hydrocarbons and mining products from the previous 12% to 8%. See "Item 3—Key Information—Risk Factors—Risks Related to our Business and Industry— The imposition of export duties and other taxes have adversely affected the oil and gas industry in Argentina and could adversely affect our results in the future" below.

Additionally, in accordance with Communication "A" 6844 of the BCRA (as amended and supplemented), exporters must repatriate and settle in Argentine Pesos in the local exchange market, the proceeds of their exports of goods cleared through customs as from September 2, 2019. In the case of hydrocarbon exports, the applicable term is the earlier of 30 days from customs clearance or 5 business days from payment.

Those export transactions pending collection prior to September 2, 2019, must be repatriated and converted to pesos by means of settlement in the FX Market to pesos within 5 business days of the date of collection or disbursement abroad or in Argentina.

Exporters who receive shipping permits during such period are subject to specific tracking procedures.

The repatriation and settlement through the FX Market to pesos of foreign currency received by Argentine residents is not required if all of the following conditions are met:

- the funds received were deposited in accounts opened in Argentine financial institutions;
- the funds are repatriated within the specified periods set forth by the foreign exchange regulations;
- the funds were applied to operations to which applicable law grants access to the FX Market, within the limits established for each concept involved; and
- the use of this mechanism was neutral for tax purposes.

We cannot predict for how long these restrictions on exports will remain in force, or whether future measures will be taken that adversely affect our ability to export and import gas, crude oil, or other products and, consequently, affect our financial condition, results of operations, and cash flows.

Current Argentine exchange controls and the implementation of further exchange controls could adversely affect our results of operations.

As of September 2019, the Argentine government has reinstated foreign exchange restrictions. The new controls apply with respect to access to the foreign exchange market by residents for savings and investment purposes abroad, the payment of external financial debts, the payment of dividends in foreign currency abroad, payments of imports of goods and services, and the obligation to repatriate and settle for pesos the proceeds from exports of goods and services, among others.

As mentioned above, in accordance with Communication "A" 6844 (as amended and supplemented), exporters must repatriate, and settle in pesos in the local exchange market, the proceeds of their exports of goods cleared through customs as from September 2, 2019. Amounts collected in foreign currency for insurance claims related to the exported goods must also be repatriated and settled in pesos through the local exchange market, up to the amount of the insured exported goods. Moreover, through Communication "A" 6844 (as amended and supplemented), the BCRA reinstated the export proceeds monitoring system, setting forth rules governing such monitoring process and exceptions thereof. Exporters will need to appoint a financial entity in charge of monitoring compliance with the aforementioned obligations.

Decree No. 661/2019 clarified that the collection of the export benefits set forth under the Argentine Customs Code shall be subject to the exporter complying with the repatriation and settlement obligations imposed by the new foreign exchange regulations.

Also, the foreign exchange regulations authorize the application of export proceeds to the repayment of: (i) pre-export financings and export financings granted or guaranteed by local financial entities; (ii) foreign pre-export financings and export advances settled through the local exchange market as from September 2, 2019; (iii) disbursed but not settled export advances and pre export financings executed prior to August 31, 2019, subject to the compliance with certain conditions, (iv) export post-financings for discounts and/or assignments by external or local financial entities; (v) financings granted by local financial entities to foreign importers; and (vi) financial indebtedness under contracts executed prior to August 31, 2019 providing for cancellation thereof through the application abroad of export proceeds. The application of export proceeds to the repayment of other indebtedness shall be subject to BCRA approval. Finally, residents may access the foreign exchange market to exchange foreign currency and to transfer it abroad to make payments of profits and dividends to non-resident shareholders, without the prior approval of the BCRA if the following conditions are met:

(i) Profits and dividends correspond to closed and audited financial statements;

(ii) The total amount of profits and dividends paid to non-resident shareholders must not exceed the amount in local currency which corresponds to the distribution determined by the shareholders' meeting. The financial entity must receive an affidavit signed by the legal representative or a duly authorized attorney-in-fact of the resident with a certification in this sense;

(iii) The total amount of transfers of profits and dividends for which the resident accesses the FX Market on or after January 17, 2020, must not exceed 30% of the value of the new direct foreign investment contributions in resident companies entered and liquidated through the FX Market prior to such date. For this purpose, the financial institution must have a certification issued by the entity that carried out the liquidation that it has not issued certifications for the purposes set forth in this point for an amount greater than 30% of the amount settled;

(iv) Access occurs within a period of not less than 30 calendar days from the settlement of the last contribution that is computed for the purposes of the requirement set forth in the immediately preceding condition;

(v) The resident must present documentation evidencing capitalization of such contribution or, absent such documentation, proof of the commencement of the registration process before the Public Registry of Commerce of the final capitalization decision of the capital contributions computed according to the corresponding legal requirements, and present the documentation of the final capitalization of the contribution within 365 calendar days from the beginning of the procedure; and

(vi) The entity must verify that the client has complied, if applicable, with the statement of the last overdue presentation of the "Survey of external assets and liabilities" for the operations involved.

It is not possible to anticipate for how long these measures will be in force or even if additional restrictions will be imposed. The Argentine government could maintain or impose new exchange control regulations, restrictions and take other measures in response to capital flight or a significant depreciation of the peso, which could limit access to the international capital markets. Such measures could undermine the Argentine government's public finances, which could adversely affect Argentina's economy, which, in turn, could adversely affect our business, results of operations and financial condition.

In addition, pursuant to Communication "A" 7106 (as amended and supplemented from time to time), the BCRA established certain requirements to access the local exchange market for purposes of repayment of cross-border financial debts, in particular, for the payment of principal outstanding amounts in loans and securities having amortization payments scheduled between October 15, 2020 and December 31, 2021 for principal amounts exceeding US$2,000,000 by the non-financial private sector and financial entities. Particularly, the payment of principal amounts pertaining to loans and securities subject to the regulation should be part of a refinancing plan that must be previously filed with the BCRA, which must provide that (i) only 40% of the principal amount owed and payable shall be paid through the local foreign exchange market on or prior to March 31, 2021; and (ii) the remaining 60% must be refinanced so the average life of the debt is increased for a minimum of two years. It is not possible to guarantee that the period covered by Communication "A" 7106 will not be extended or reinstated in the future by the BCRA or that other regulations with similar effects will be issued that would require the Company to refinance its obligations, which in turn could have a negative impact on our opreations, and in particular, in the our ability to meet its debt obligations.

We cannot assure you that the Mexican government would not impose exchange controls or other confiscatory measures.

The imposition of export duties and other taxes have adversely affected the oil and gas industry in Argentina and could adversely affect our results in the future.

In the past, the Argentine government imposed duties on exports, including exports of oil and liquid petroleum gas products. On December 31, 2017 the Economic Emergency Law (*Ley de Emergencia Económica*) expired, resulting in the elimination of discretionary ruling previously granted to the Argentine government, which were delegated and allowed it to enact foreign exchange regulations, the withholding percentage for hydrocarbon exports, and tariffs, as well as to renegotiate public services agreements, among others. On September 4, 2018, pursuant to Decree No. 793/2018, the Argentine government reestablished, until December 31, 2020, an export tax of 12% on commodities for primary commodities with some exceptions. The Solidarity Law sets forth that the Argentine Executive Branch is entitled to set export duties up to a maximum of 33% of the exported goods until December 31, 2021. The Solidarity Law also established a cap of 8% for the export duties for hydrocarbons and mining products.

On May 19, 2020, Decree No. 488/2020 issued by the Executive Power was published in the Official Gazette, establishing export duties to hydrocarbons and updating the values of fines provided in article 87 Law 17,319 and its amendments. Export duties were set forth for certain hydrocarbon products: **(i)** 0% rate for export duties in the event that the international price is equal or inferior to the "base value" (US$45/bbl), **(ii)** 8% rate for export duties in the event that the international price is equal or superior to the reference value (US$60/bbl), and **(iii)** in the case that the international price is higher that the base value and lower to the reference value, the export duty tax rate shall be determined according to a linear formula for the export duty rate from 0 to 8%.

Export duties and taxes may have a material adverse effect on Argentina's oil and gas industry and our results of operations. We produce exportable goods and, therefore, an increase in export taxes is likely to result in a decrease in our products' price, and, therefore, may result in a decrease of our sales. We cannot guarantee the impact of those or any other future measures that might be adopted by the Argentine government on demand and prices for hydrocarbon products and, consequently, our financial condition and result of operations.

The impact of inflation in Argentina on our costs could have a material adverse effect on our results of operations.

Historically, inflation has materially undermined the Argentine economy and the Argentine government's ability to create conditions that permit growth. In recent years, Argentina has experienced high inflation rates.

The consumers price index published by the INDEC (the *Índice de Precios al Consumidor*, or "IPC") for the year 2018 registered an increase of 47.6% on a year-over-year comparison. For the period from January to December 2019, the IPC totaled 53.8% compared to the same period in 2018. The IPC variation for the period from January to December 2020 totaled 36.1%. Moreover, INDEC reported that (i) for the period from February 2020 to January 2021, the IPC totaled 38.5% compared to the period from February 2019 to January 2020; (ii) for the period from March 2020 to February 2021, the IPC totaled 40.7% compared to the period from March 2019 to February 2020; and (iii) for the period from April 2020 to March 2021, the IPC totaled 42.6% compared to the period from April 2019 to March 2020.

The Argentine government continued implementing measures to monitor and control prices for the most relevant goods and services. Despite such efforts, the Argentine economy continues to experience high levels of inflation. If the value of the Argentine Peso cannot be stabilized through fiscal and monetary policies, an increase in inflation rates could be expected.

High inflation rates affect Argentina's foreign competitiveness, social and economic inequality, negatively impact employment, consumption and the level of economic activity and undermines confidence in Argentina's banking system, which could further limit the availability of and access to domestic and international credit by local companies and political stability.

Inflation remains a challenge for Argentina given its persistent nature. Argentina's structural inflationary imbalances remain critical, which may cause the current levels of inflation to continue and have an adverse effect on Argentina's economy and financial condition. Inflation can also lead to an increase in Argentina's debt. Inflation in Argentina has contributed to a material increase in our operating costs, particularly labor costs, and has negatively impacted our results of operations, financial position and business.

Inflation rates could escalate in the future, and there is uncertainty regarding the effects that the measures adopted, or that may be adopted in the future, by the Argentine government to control inflation may have. See "Item 3—Key Information—Risk Factors—Risks Related to our Business and Industry—Government intervention may adversely affect the Argentine economy and, as a result, our business and results of operations in Argentina" below. Increased inflation could adversely affect the Argentine economy and, in turn, could adversely affect our business, financial condition and the market price of our series A shares and the ADSs.

Argentina's ability to obtain financing from international markets is limited, which could affect its capacity to implement reforms and sustain economic growth.

After Argentina's default on certain debt payments in 2001, the government successfully restructured 92% of the debt through two debt exchange offers in 2005 and 2010. Nevertheless, holdout creditors filed numerous lawsuits against Argentina in several jurisdictions, including the United States, Italy, Germany and Japan, asserting that Argentina failed to make timely payments of interest and/or principal on their bonds, and seeking judgments for the face value of and/or accrued interest on those bonds. Judgments were issued in numerous proceedings in the United States, Germany and Japan. Although creditors with favorable judgments did not succeed, with a few minor exceptions, in enforcing on those judgments, as a result of decisions adopted by the New York courts in support of those creditors in 2014, Argentina was enjoined from making payments on its bonds issued in the 2005 and 2010 exchange offers unless it satisfied amounts due to the holders of defaulted bonds. The Argentine government took a number of steps intended to continue servicing the bonds issued in the 2005 and 2010 exchange offers, which had limited success. Holdout creditors continued to litigate and succeeded in preventing the Argentine government from regaining market access.

Between February and April 2016, the Argentine government entered into agreements in principle with certain holders of defaulted debt and put forward a proposal to other holders of defaulted debt, including those with pending claims in U.S. courts, which resulted in the settlement of substantially all remaining disputes and closure to 15 years of litigation. On April 22, 2016, Argentina issued bonds for US$16.5 billion, and applied US$9.3 billion of the proceeds to satisfy payments under the settlement agreements reached with holders of defaulted debt. Since then, substantially all of the remaining claims under defaulted bonds have been settled.

As of the date of this Annual Report, although litigation initiated by bondholders that have not accepted Argentina's settlement offer continues in several jurisdictions, the size of the claims involved has decreased significantly.

In addition, since 2001 foreign shareholders of some Argentine companies initiated claims for substantial amounts before the International Centre for Settlement of Investment Disputes ("ICSID") against Argentina, pursuant to the arbitration rules of the United Nations Commission on International Trade Law. Claimants allege that certain measures of the Argentine government issued during the economic crisis of 2001 and 2002 were inconsistent with the norms or standards set forth in several bilateral investment treaties by which Argentina was bound at the time. To date, several of these disputes have been settled, and a significant number of cases are in process or have been temporarily suspended by the agreement of the parties.

Between 2016 and early 2018, Argentina regained access to the market and incurred in additional debt. However, as a result of various external and domestic factors, during the first half of 2018, access to the market became increasingly onerous. On May 8, 2018, the Argentine government announced that negotiations with the IMF would initiate with a view to entering into a stand-by credit facility that would give Argentina access to financing by the IMF. On June 7, 2018, the Argentine government and the IMF staff reached an understanding on the terms of the SBA for disbursements totaling approximately US$50 billion, which was approved by the IMF's Executive Board on June 20, 2018. The SBA was intended to provide support to the Argentine government's economic program, helping build confidence, reduce uncertainties and strengthen Argentina's economic prospects. On June 22, 2018 the Argentine government made a first drawing of approximately US$15 billion under the SBA. Argentina has received disbursements under the SBA for US$44 billion. Notwithstanding the foregoing, the current administration has publicly announced that they will refrain from requesting additional disbursements under the agreement, and instead vowed to renegotiate its terms and conditions in good faith.

Following the execution of the SBA, in August 2018, Argentina faced an unexpected bout of volatility affecting emerging markets generally. In September 2018, the Argentine government discussed with the IMF staff further measures of support in the face of renewed financial volatility and a challenging economic environment. On October 26, 2018, in light of the adjustments to fiscal and monetary policies announced by the Argentine government and the BCRA, the IMF's Executive Board allowed the Argentine government to draw the equivalent of US$5.7 billion, bringing total disbursements since June 2018 to approximately US$20.6 billion, approved an augmentation of the SBA increasing total assets to approximately US$57.1 billion for the duration of the program through 2021 and the front loading of the disbursements. Under the revised SBA, IMF resources for Argentina in 2018-19 increased by US$18.9 billion. IMF disbursements for the remainder of 2018 more than doubled compared to the original IMF-supported program, to a total of US$13.4 billion (in addition to the US$15 billion disbursed in June 2018). Disbursements in 2019 were also nearly doubled, to US$22.8 billion, with US$5.9 billion planned for 2020-2021.

On August 28, 2019, the Argentine government issued a decree deferring the scheduled payment date for 85% of the amounts due on short-term notes maturing in the fourth quarter of 2019, governed by Argentine law and held by institutional investors. Of the deferred amounts, 30% would be repaid 90 days after the original payment date and the remaining 70% would be repaid 180 days after the original payment date, except for payments under Lecaps due 2020 held domestically, which would be repaid entirely 90 days after the original payment date. Amounts due on short-term notes held by individual investors would be paid as originally scheduled.

Moreover, in December 2019, the current administration further extended by decree payments of a series of short term Argentine-law governed treasury notes denominated in U.S. dollars held by institutional investors through August 2020. Additionally, on February 11, 2020, the Argentine government decreed the extension of maturity to September 30, 2020 of a dollar-linked treasury note governed by Argentine law, which had been originally subscribed to a large extent with U.S. dollar remittances, to avoid a payment with Argentine Pesos that would have required significant sterilization efforts by the monetary authority.

On February 12, 2020, the Argentine Congress enacted Law No. 27,544 for the Sustainable Restoration of Foreign-Law Governed Public Debt which granted the Ministry of Economy the power to restructure the Argentine government's external public debt. On March 9, 2020, the Argentine Executive Branch issued decree No. 250/20 authorizing the Ministry of Economy to restructure US$68,842 million in debt.

Following Law No. 27,544, on March 10, 2020, Decree No. 250/20 issued by the Argentine government established the maximum nominal amount of liability management transactions and/or exchanges and/or restructurings of the Republic of Argentina's outstanding public securities issued under foreign law as of February 12, 2020 at the nominal value of US$68,842,528,826, or its equivalent in other currencies. However, due to the COVID-19 pandemic, the timeline initially published by the Ministry of Economy for the restructuring of the public external debt which provided, among other steps, the launch of an exchange offer of such public securities issued under foreign law, was postponed.

On April 21, 2020, Argentina invited holders of approximately US$66.5 billion aggregate principal amount of its foreign currency external bonds to exchange such bonds for new bonds. The invitation contemplated the use of collective action clauses included in the terms and conditions of such bonds, whereby the decision by certain majorities would bind holders that do not tender into the exchange offer. On August 31, 2020 it announced that it had obtained bondholder consents required to exchange and or modify 99.01% of the aggregate principal amount outstanding of all series of eligible bonds invited to participate in the exchange offer. The restructuring settled on September 4, 2020. As a result of the invitation, the average interest rate paid by Argentina's foreign currency external bonds was lowered to 3.07%, with a maximum rate of 5.0%, compared to an average interest rate of 7.0% and maximum rate of 8.28% prior to the invitation. In addition, the aggregate amount outstanding of Argentina's foreign currency external bonds was reduced by 1.9% and the average maturity of such bonds was extended.

On April 5, 2020, the Argentine government enacted Decree No. 346/2020: (i) deferring the payments of principal and interest on certain of its foreign currency bonds governed by Argentine law until December 31, 2020, or until such earlier date as the Ministry of Economy may determine, considering the progress made in the process designed to restore the sustainability of Argentina's public debt, and (ii) authorizing the Ministry of Economy to conduct liability management transactions or exchange offers, or to implement restructuring measures affecting foreign currency bonds governed by Argentine law, which payments have been deferred pursuant to such Decree.

On August 18, 2020, Argentina offered holders of its foreign currency bonds governed by Argentine law to exchange such bonds for new bonds, on terms that were equitable to the terms of the invitation made to holders of foreign law-governed bonds. On September 18, 2020, Argentina announced that holders representing 99.4% of the aggregate principal amount outstanding of all series of eligible bonds invited to participate in the local exchange offer had participated. As a result of the exchange offer, the average interest rate paid by Argentina's foreign currency bonds governed by Argentine law was lowered to 2.4%, compared to an average interest rate of 7.6% prior to the exchange. In addition, the exchange offer extended the average maturity of such bonds.

As of the date of this annual report, the Argentine government has initiated negotiations with the IMF in order to renegotiate the principal maturities of the US$44.1 billion disbursed between 2018 and 2019 under a Stand By Agreement, originally planned for the years 2021, 2022 and 2023. We cannot assure whether the Argentine government will be successful in the negotiations with the IMF, which could affect its ability to implement reforms and public policies and boost economic growth, nor the impact of the result that renegotiation will have on Argentina's ability to access international capital markets (and indirectly in our ability to access those markets) to access international capital markets, on the Argentine economy or on our economic and financial situation or on our capacity to extend the maturity dates of our debt or other conditions that could affect our results and operations or businesses. Lack of access to international or domestic financial markets could affect the projected capital expenditures for our operations in Argentina, which, in turn, may have an adverse effect on our financial condition or the results of our operations.

Without renewed access to the financial market the Argentine government may not have the financial resources to implement reforms and boost growth, which could have a significant adverse effect on the country's economy and, consequently, on our activities. Likewise, Argentina's inability to obtain credit in international markets could have a direct impact on our ability to access those markets to finance our operations and our growth, including the financing of capital investments, which would negatively affect our financial condition, results of operations and cash flows. In addition, we cannot predict the outcome of any future restructuring of Argentine sovereign debt. We have investments in Argentine sovereign bonds amounting to US$1.6 million as of December 31, 2020. Any new event of default by the Argentine government could negatively affect their valuation and repayment terms, as well as have a material adverse effect on the Argentine economy and, consequently, our business and results of operations.

Significant fluctuations in the value of the Argentine Peso could adversely affect the Argentine economy and our business and results of operations in Argentina.

Fluctuations in the value of the Argentine Peso may adversely affect the Argentine economy, our financial condition and results of operations. While most of our revenues are denominated in U.S. Dollars, upstream players could be limited by the ability of refiners to push cost increases to the pump prices, which are denominated in local currency. This can generate risk to our revenue stream in volatile macroeconomic environments. We are therefore exposed to the risks associated with the fluctuation of the Argentine Peso relative to the U.S. Dollar.

The devaluation of the Peso can have a negative impact on the ability of certain Argentine companies to pay their debts in foreign currency, generates inflation, substantially reduces wages in real terms and jeopardize the stability of businesses. Compounded by the effects of foreign exchange controls and restrictions on foreign trade, highly distorted relative prices resulted in the loss of competitiveness of Argentine production, impeded investment and caused economic stagnation. In 2018, 2019 and 2020, the Argentine Peso depreciated 101.4%, 58.4%,and 40% respectively, with respect to the U.S. Dollar. On April 16, 2021, the exchange rate was AR$92.8 for each US$1.00, as published by the BCRA.

During August 2019, the peso lost almost 30% of its value against U.S. Dollar and the share price of Argentine listed companies collapsed almost 42% (according to the S&P Merval index). The "Country Risk" peaked at one of the highest levels in Argentine history, placing itself above 2,000 points on August 28, 2019. As a consequence of the aforementioned effects, in order to control the currency outflow and restrict exchange rate fluctuations, the Argentina Central Bank reinstated exchange controls, seeking to strengthen the normal functioning of the economy, fostering a prudent administration of the exchange market, reducing the volatility of financial variables and containing the impact of the variations of financial flows on the real economy.

During 2020, depreciation of the peso against U.S. Dollar was constant. However, the impact of the COVID-19 pandemic on share prices was drastic, as the S&P Merval index dropped by almost 50% during February and March, and the "Country Risk" peaked to the highest level in Argentine history, at 4,295 points on March 24, 2020.

As of March 31, 2021, the Country Risk was 1,588. As a consequence of the aforementioned effects, in order to control the currency outflow and restrict exchange rate fluctuations, the BCRA re-implemented exchange controls, seeking to strengthen the normal functioning of the economy, fostering a prudent administration of the exchange market, reducing the volatility of financial variables and containing the impact of the variations of financial flows on the real economy

The ability of the Argentine government to stabilize the foreign exchange market and restore economic growth is uncertain. A significant appreciation of the Argentine Peso against the U.S. Dollar also presents risks for the Argentine economy, including the possibility of a reduction in exports (as a consequence of the loss of external competitiveness). Such an appreciation could also have a negative effect on the growth of the economy and employment and reduce tax collection in real terms.

The continued depreciation of the Argentine Peso and the failure to meet the terms of the SBA could have a material adverse effect on Argentina's economy and, consequently, our cash flows, financial condition and results of operations.

Our properties may be subject to expropriation by the Argentine and Mexican governments for public interest reasons.

Our assets, which are mainly located in Argentina and, to a lesser extent, in Mexico, may be subject to expropriation by the Argentine and Mexican governments (or the government of any political subdivision thereof), respectively. We are engaged in the business of oil extraction and, as such, our business or our assets may be considered by a government to be a public service or essential for the provision of a public service. Therefore, our business is subject to political uncertainties, including expropriation or nationalization of our business or assets, loss of concessions, renegotiation or annulment of existing contracts, and other similar risks.

In such an event, we may be entitled to receive compensation for the transfer of our assets under applicable law. However, the price received may not be sufficient, and we may need to take legal actions to claim appropriate compensation. Our business, financial condition and results of our operations could be adversely affected by the occurrence of any these events.

In the past, the Argentine government has required the repatriation of foreign currency from oil and gas export sales and other amounts applicable to the production of liquefied gas, which has affected producers of oil and gas in the country. In April 2012, the Argentine government enacted Law 26,741 which expropriated 51% of YPF's shares owned by Repsol YPF. By virtue of the law, 51% of the expropriated shares were assigned to the Argentine government, while the remaining 49% was assigned to the Argentine provinces engaged in oil and gas production. Additionally, Law 26,471 established that hydrocarbon related activities (including exploitation, industrialization, transport, and commercialization) in Argentina are considered to be part of the "national public interest." The law "Hydrocarbon Sovereignty of Argentina" established that its primary objective is to achieve self-sufficiency in oil and gas supply for Argentina. We cannot assure that these or similar measures that may be adopted by the Argentine government will not have a material adverse effect on the Argentine economy and, as a consequence, adversely affect our financial condition, our results of operations. Additionally, we cannot assure that similar measures will not be adopted by the Mexican government in the future.

Government intervention may adversely affect the Argentine economy and, as a result, our business and results of operations in Argentina.

In the past, the Argentine government has had direct intervention in the economy, through the implementation of expropriation, exchange and price controls and nationalization measures, price controls and exchange controls, among others.

In 2008, the Argentine government absorbed and replaced the former private pension system for a public "pay as you go" pension system. As a result, all resources administered by pension funds, including significant equity interests in a wide range of listed companies, were transferred to a separate Social Security Fund (*Fondo de Garantía de Sustentabilidad*) to be administered by the National Social Security Administration (*Administración Nacional de la Seguridad Social*, or the "ANSES"). With the nationalization of Argentina's private pension funds, the Argentine government, through the ANSES, became a significant shareholder in many of the country's public companies.

In addition, historically the Argentine government has adopted measures to directly or indirectly control the access of private companies and individuals to foreign trade and foreign exchange markets, such as restricting its free access and imposing the obligation to repatriate and sell within the local foreign exchange market all foreign currency revenues obtained from exports. These regulations prevented or limited us from offsetting the risk derived from our exposure to the U.S. Dollar. Our business and operations in Argentina may also be adversely affected by measures adopted by the Argentine government to address inflation and promote sustainable macroeconomic growth.

A low growth rate and high inflation scenario is likely going forward, as a result of the accumulation of macroeconomic imbalances over recent years, the actions of the Argentine government in regulatory matters and challenging conditions in the international economy as well as the additional strain imposed by the COVID-19 pandemic. We can offer no assurance that policies implemented by the Argentine government will not adversely affect our business, results of operations, financial condition, the value of our securities, and our ability to meet our financial obligations.

Argentina is an emerging market economy that is highly sensitive to local political developments which have had an adverse impact on the level of investment in Argentina. Future developments may adversely affect Argentina's economy and, in turn, our business, results of operations, financial condition, the value of our securities, and our ability to meet our financial obligations.

Also, foreign exchange controls were implemented in the past, and have been recently reinstated, in Argentina.

Moreover, the Argentine government has enacted laws and regulations requiring private sector companies to maintain certain salary levels and provide their employees with additional benefits. On December 13, 2019, the current administration declared a labor emergency for a 180-day term. In this context, the Argentine government doubled the amount of the statutory severance payments payable to employees hired before December 13, 2019 and dismissed between December 13, 2019 and June 13, 2020. The layoff prohibition was extended pursuant to Decree No. 528/20 and Decree No. 961/20.Decree No. 39/21, currently in effect until April 27, 2021, extended the prohibition of dismissals without just cause or based on lack or reduction of work and force majeure, as well as the prohibitions to suspensions for economic reasons, except for suspensions made under the terms of Section 223 bis of the Labor Contract Law (agreements between employers and employees later approved by the Ministry of Labor, made either individually or collectively with the purpose of suspending employment for lack or reduction of work due to no fault from the employer), which are not affected by the prohibition.

However, under the provisions of Section 5 of Decrees No. 624/20, 761/20 and 891/20, contracts entered into after the entry into force of Decree No. 34/19, are not affected by the aforementioned provisions.

On December 20, 2019, the Argentine congress enacted the Solidarity Law, declaring public emergency on the economic, financial, fiscal, administrative, social and energetic fronts, among others, thus delegating in the Argentine Executive Branch the ability to ensure the sustainability of public indebtedness, regulate the energetic tariff restricting through an integral review of the current tariff regime and the intervention of supervisory entities, among others.

The Solidarity Law establishes the restructuring of the energy tariff scheme and froze the natural gas and electricity tariffs. In addition, the Solidarity Law entitles the Argentine Executive Branch to intervene the ENARGAS and the ENRE.

On March 17, 2020, Decree No. 278/2020 was published in the Official Gazette, which provides for the State intervention in ENARGAS until December 31, 2020, which was extended by Decree No. 1,020/2020 until the earlier of (i) December 31, 2021, or (ii) until the end of the renegotiation of the tariff revision provided for by the decree is completed, the earlier of.

We cannot foresee the impact that the Solidarity Law may have, nor the measures that could be adopted by the current administration regarding the Argentine economy in order to meet its financial obligations, which might negatively affect our business, financial condition and results of operations.

In the future, the Argentine government impose further exchange controls and restrictions on transfers abroad, restrictions on the movement of capital or take other measures in response to capital flight or a significant depreciation of the Argentine Peso, which could limit our ability to access the international capital markets. Such measures could lead to political and social tensions and undermine the Argentine government's public finances, as has occurred in the past, which could have an adverse effect on economic activity in Argentina and, consequently, adversely affect our business and results of operations and cause the market value of our series A shares or ADSs to decline.

Investors in emerging markets, where our operations are located, are subject to greater risks than investors in more developed markets, including significant political, legal and economic risks, as well as risks related to fluctuations in the global economy.

Our operations are located in emerging markets, such as Argentina and Mexico. Our operations in emerging markets are subject to a number of heightened risks and potential costs, including lower profit margins, less regulatory protection and economic, political and social uncertainty. For example, many emerging markets have currencies that fluctuate substantially. If currencies devalue and we cannot offset with price increases, our products may become less profitable. Inflation in emerging markets also can make our products less profitable and increase our exposure to credit risks. We have previously experienced currency fluctuations, unstable social and political conditions, inflation and volatile economic conditions in emerging markets, which have impacted our profitability in the emerging markets in which we operate and we may experience such impacts in the future. The economies of emerging markets are also vulnerable to market downturns and economic slowdowns elsewhere in the world. As has happened in the past, financial problems or an increase in the perceived risks associated with investing in emerging economies could dampen foreign investment in these markets and materially adversely affect their economies. Although economic conditions are different in each country, the reaction of investors to developments in one country may cause the capital markets in other countries to fluctuate. Developments or adverse economic conditions in other emerging markets have at times resulted in significant outflows of funds from, and declines in, the amount of foreign currency invested in Argentina and Mexico. In addition, economic and political crises in Latin America or other emerging markets may significantly affect perceptions of the risk inherent in investing in the region. Investors should fully appreciate the significance of the risks involved in investing in an emerging markets company and are urged to consult with their own legal, financial and tax advisors.

In addition, the SEC, U.S. Department of Justice, or the DOJ, and other authorities often have substantial difficulties in bringing and enforcing actions against non-U.S. companies and non-U.S. persons, including company directors and officers, in certain emerging markets, including Argentina and Mexico. Additionally, our public shareholders may have limited rights and few practical remedies in emerging markets where we operate, as shareholder claims that are common in the United States, including class action based on securities law and fraud claims, generally are difficult or impossible to pursue as a matter of law or practicality in many emerging markets. As a result of the above, our public shareholders may have more difficulty in protecting their interests in the face of actions taken by our management, members of our board of directors or our controlling shareholders than they would as public shareholders of a company incorporated in the United States.

As we operate in emerging markets such as Argentina and Mexico, we may be exposed to any one or a combination of these risks, and our business, prospects, financial condition and results of operations could be adversely affected.

Oil and gas exploitation concessions, exploration permits and production and exploration contracts in Argentina and Mexico are subject to certain conditions and may be revoked or not renewed.

Argentina

Law No. 17,319 (as amended, the "Hydrocarbons Law") is the main regulatory framework of the hydrocarbons industry, as it created a system of exploration permits and production concessions awarded by the state (federal or provincial, depending on the location of the resources), through which companies hold exclusive rights to explore, develop, exploit and take title of the production at the wellhead, in exchange for a royalty payment and adherence to the general taxation regime. The Hydrocarbons Law also provides state-owned oil companies (whether federal or provincial) with the possibility of granting rights through production sharing agreements.

Hydrocarbons Law, as amended, provides for oil and gas concessions to remain in effect for 25 years, 35 years for unconventional concessions and 30 years for offshore concessions, in each case, as from the date of their award and subject to extensions for periods of up to 10 years each. The authority to extend the terms of current and new permits, concessions and contracts has been vested in the governments of the provinces in which the relevant area is located (and the federal government in respect of offshore areas beyond 12 nautical miles). In order to be eligible for an extension of a concession, under the modifications of Law No. 27,007, concessionaires must (i) have complied with their obligations, (ii) be producing hydrocarbons in the concession under consideration and (iii) submit an investment plan for the development of such areas as requested by the competent authorities up to a year prior to the termination of each term of the concession

In addition, holders of concessions who apply for extensions (pursuant to Law No. 27,007) may be required to pay additional royalties ranging from 3% and up to a total maximum of 18%. Under the Hydrocarbons Law, failure to meet the aforementioned standards and obligations may result in the imposition of fines, and material violations which remain uncured upon expiration of the relevant cure period may result in the revocation of the concession or permit.

No assurance can be given that our concessions will be renewed in the future by the competent authorities based on the investments plans submitted to that effect, or that such authorities will not impose additional requirements for the renewal of such concessions or permits. Additionally, three of our concessions under Law No. 27,007 were granted for a 35-year period and with royalties of 12%, i.e., for longer periods than conventional ones. We cannot assure you that any future legislation the Argentine government may enact from time to time may not affect such concessions.

Exploration permits and exploitation concessions provide a vested right that cannot be terminated without legal indemnification. Nonetheless, relevant provincial enforcement authorities are entitled to revoke these licenses in the event of a breach of the permit or concession conditions by the licensee (article 80 of Law No. 17,319). Licensees can also partially or totally relinquish, at any time, the acreage of a permit or concession. If an exploration permit is relinquished, the licensee will be bound to pay any investment amounts committed and not fulfilled (articles 20 and 81 of Law No. 17,319).

Law No. 26,197 transferred the eminent domain on hydrocarbon reservoirs from the Argentine Government to the provinces. Exploration permits and exploitation concessions in existence when Law 26,197 was enacted have been transferred to the relevant provincial governments until their expiration. On the other hand, transportation concessions between provinces continue to be subject to federal jurisdiction. Petroleum rights are independent from surface rights. Oil production belongs to the licensee (the titleholder of an exploration permit or exploitation concession) upon its extraction.

Expropriations in Argentina are regulated by the Federal Law on Expropriations, No. 21,499, which includes no specific provisions for oil and gas licenses. On the contrary, Law No. 21,499 was applied when implementing the expropriation of the majority shareholding by Repsol in YPF in March 2012, which was finally settled in May 2014 by means of an agreement executed between the Argentine government and Repsol that was subsequently ratified by Law No. 26,932 passed by the Argentine Congress.

No assurance can be given that our exploitation concessions will be renewed in the future by the relevant provincial authorities based on the investments plans submitted to that effect, or that such authority will not impose additional requirements for the renewal of such concessions.

Mexico

Our E&P license contracts are valid for 30 years and may be renewed for up to two additional periods of up to 5 years each, subject to the terms and conditions set out in the respective contracts. The power and authority to extend the term of existing and future contracts lies with the CNH. Under the existing contracts, in order for an E&P license contract to be eligible for an extension, the developer must (i) be in compliance with the terms of such contracts, (ii) submit an amendment proposal to the development plan and (iii) commit to maintain 'sustained regular production' throughout each extension.

No assurance can be given that our contracts will be renewed in the future by the CNH based on the investments plans submitted to that effect, that such authority will not impose additional requirements for the renewal of such contracts, or that we will continue to have a good business relationship with the new and future administrations.

A global or regional financial crisis and unfavorable credit and market conditions may negatively affect our liquidity, customers, business, and results of operations.

The effects of a global or regional financial crisis and related turmoil in the global financial system may have a negative impact on our business, financial condition and results of operations, which is likely to be more severe on emerging market economies, such as Argentina and Mexico. This was the case in 2008, when the global economic crisis led to a sudden economic decline in Argentina in 2009, accompanied by inflationary pressures, depreciation of the Argentine Peso and a drop in consumer and investor confidence.

The effects of an economic crisis on our customers and on us cannot be predicted. Weak global and local economic conditions could lead to reduced demand or lower prices for energy, hydrocarbons and related oil products and petrochemicals, which could have a negative effect on our revenues. Economic factors such as unemployment, inflation and the unavailability of credit could also have a material adverse effect on the demand for energy and, therefore, on our business financial condition and results of operations. The financial and economic situation in Argentina, Mexico or in other countries in Latin America, such as Brazil, may also have a negative impact on us and third parties with whom we do, or may do, business. See "Item 3—Key Information—Risk Factors—Risks Related to the Argentine and Mexican Economies and Regulatory Environments—The Argentine economy can be adversely affected by economic developments in other markets and by more general "contagion" effects, which could have a material adverse effect on Argentina's economic growth" below.

The global economic crisis that began in the fourth quarter of 2008, triggering an international stock market crash and the insolvency of major financial institutions, limited the ability of Argentine companies to access international financial markets as they had in the past or made such access significantly more costly. A similar global or regional financial crisis in the future could limit our ability to access the credit or capital markets at a time when we require financing, thereby impairing our flexibility to react to changing economic and business conditions. See "Item 3—Key Information—Risk Factors—Risks Related to the Argentine and Mexican Economies and Regulatory Environments—Argentina's ability to obtain financing from international markets is limited, which could affect its capacity to implement reforms and sustain economic growth." For these reasons, any of the foregoing factors could together or independently have an adverse effect on our results of operations and financial condition and cause the market value of the ADSs to decline.

In addition, the crisis affecting emerging markets that began in the second quarter of 2018 as a result of the rise in interest rates by the U.S. Federal Reserve and the trade dispute between the United States and China, among other factors, had a material impact on the Argentine economy. This was further aggravated by the impact of the COVID-19 pandemic on the economy. The Argentine government provided fiscal stimulus in the form of direct subsidies to approximately 10 million citizens in order to reduce the impact of the economic decline and unemployment, further deteriorated by the budget imbalances. As of December 31, 2020, the peso/US dollar exchange rate stood at AR$84.15 per US$1.00, a depreciation of 40.5% compared to the value registered as of December 31, 2019, according to the U.S. Dollar ask rate published by Banco de la Nación Argentina.

The Argentine economy can be adversely affected by economic developments in the global financial markets, and by more general "contagion" effects from other financial markets, which could have a material adverse effect on Argentina's economic growth.

Argentine financial and securities markets are influenced, to varying degrees, by economic and financial conditions in other markets and Argentina's economy is vulnerable to external shocks, including those related or similar to the global economic crisis that began in 2008 and economic and financial conditions in Argentina's major trading partners, in particular, Brazil. Although economic conditions can vary from country to country, investors' perception of the events occurring in other countries have substantially affected in the past, and may continue to substantially affect capital flows to other countries and the value of securities in other countries, including Argentina. The Argentine economy was adversely impacted by the political and economic events that occurred in several emerging economies in the 1990s, including those in Mexico in 1994, the collapse of several Asian economies between 1997 and 1998, the economic crisis in Russia in 1998 and the Brazilian devaluation of its currency in January 1999.

The Argentine economy is also influenced by economic developments occurring in the markets to which it has close financial and political ties, including the MERCOSUR. In July 2019, the MERCOSUR and the European Union entered into a free trade agreement (the "EU-MERCOSUR Agreement"), which is expected create market of goods and services of approximately 800 million consumers and almost a quarter of the global GDP. The EU-MERCOSUR Agreement contemplates, among other issues, tariff reductions for certain goods, temporary safeguard mechanisms that can be temporarily applied to prevent injuries to domestic industries, the opening of public procurement by the MERCOSUR countries to European companies, the establishment of general rules on electronic commerce and a dispute resolution mechanism. The effect the EU-MERCOSUR Agreement could have on the Argentine economy, and the policies implemented by the Argentine government, is uncertain. Negative economic or financial developments arising out of the EU-MERCOSUR Agreement, may have a material adverse effect on the Argentine economy and, indirectly, on our business, financial condition and results of operations. However, the effect that this agreement could have on the Argentine economy and the policies implemented by the Argentine government is uncertain. Regarding other free trade agreements negotiations, the current administration announced on April 24, 2020 that it would stop participating in negotiations for MERCOSUR trade agreements with countries such as South Korea, Singapore, Lebanon, Canada and India, excluding those already concluded with the EU.

In addition, international investors' reactions to events occurring in one market sometimes demonstrate a "contagion" effect in which an entire region or class of investment is disfavored by international investors, Argentina could be adversely affected by negative economic or financial developments in other countries, which in turn may have a material adverse effect on the Argentine economy and, indirectly, on our business, financial condition and results of operations, and the market value of our series A shares or ADSs.

Restrictions on the supply of energy could negatively impact the Argentine economy.

As a result of prolonged recession and the forced conversion of energy tariffs into Argentine Pesos and subsequent freeze of natural gas and electricity tariffs in Argentina, there has been a lack of investment in natural gas and electricity supply and transport capacity in Argentina in recent years. At the same time, demand for natural gas and electricity has increased substantially, driven by a recovery in economic conditions and price constraints, which prompted the Argentine government to adopt a series of measures that have resulted in industry shortages and/or higher costs. In particular, Argentina has been importing natural gas to compensate for shortages in local production. In order to pay for natural gas imports the Argentine government has frequently used the BCRA reserves given the absence of foreign direct investment. In order to reduce natural gas imports and the use of BCRA foreign exchange reserves for the payment thereof, the Argentine Congress enacted Law No. 27,007, which increased the number of participants eligible to benefit from the Promotional Investment Regime under the Hydrocarbons Law. In addition, by means of Decree No. 892/2020, dated November 13, 2020, the Argentine government implemented the Argentine Plan for the Promotion of Natural Gas Production – Supply and Demand Scheme 2020-2024 ("*Plan de Promoción de la Producción de Gas Natural Argentino – Esquema de Oferta y Demanda 2020-2024*"). For more information, see "Item 4—Information on the Company—History and Development of the Company—Industry and Regulatory Overview—Oil and Gas Regulatory Framework in Argentina— Introduction to the Hydrocarbon Market" and "Item 4—Information on the Company—Industry and Regulatory Overview—Oil and Gas Regulatory Framework in Argentina—Gas Market ". In the event that these measures do not have the effect sought by the Argentine government, the latter could be forced to continue to import natural gas which, as mentioned above, could have a negative impact on the BCRA's foreign currency reserves. If the Argentine government is unable to pay for imports of natural gas, economic activity, business and industries may be adversely affected.

The Argentine government has taken a number of measures to alleviate the short-term impact of energy shortages on residential and industrial users. If these measures prove to be insufficient, or if the investment required to increase natural gas production and electric energy transportation capacity and generation over the medium- and long-term is not available, economic activity in Argentina could be curtailed, and with it our operations. As a first step of these measures, a series of tariff increases and subsidy reductions (primarily applicable to industries and high-income consumers) were implemented. On December 17, 2015, and after publication of Decree No. 134/2015, the Argentine government declared the National Electricity System Emergency until December 31, 2017 and ordered the Argentine Secretariat of Energy to propose measures and guarantee the electrical supply. The Argentine Secretariat of Energy Resolution No. 06/2016 of January 2016 set new seasonal reference prices for power and energy on the Mercado Eléctrico Mayorista (MEM) for the period from February 1, 2016 to April 30, 2016 and set an objective to adjust the quality and security of electricity supply.

In February 2016, the Argentine government reviewed the schedule of electricity and gas tariffs and reduced the demand subsidies of these services, increasing over 500% energy costs, excepting for low-income consumers from the subsidies reduction. By re-stablishing tariff levels, modifying the regulatory framework and reducing the Argentine government's participation in the energy sector, the Argentine government sought to correct distortions in the energy sector and make the necessary investments. In July 2016, a federal court in the city of La Plata suspended the increase in the gas tariff throughout the Province of Buenos Aires. On August 3, 2016, a federal court in San Martín suspended the increase in gas tariffs throughout the country until a public hearing was held to discuss the rate increase. The judgment was appealed to the Supreme Court, and on August 18, 2016, the Supreme Court ruled that the increase in the gas tariff of residential users could not be imposed without a public hearing. On September 16, 2016, the public hearing was held where it was agreed that the gas tariff would be adjusted by approximately 200% in October 2016, with bi-annual price adjustments in 2019. In this sense, through resolutions No. 205-207/2019, dated April 5, 2019, ENARGAS established the new gas tariff scheme for gas transportation and distributions companies to be applicable for the semester April-October 2019.

In connection with the framework determining the value of the rates for the public service in gas distribution for 2017, the Argentine Secretariat of Energy issued Resolution No. 74/2017 on March 30, 2017, which adopted the gas values at the point of entry into the transport system, applicable as of April 1, 2017. Additionally, on November 30, 2017, the Argentine Secretariat of Energy issued (i) Resolution No. 474-E/2017 which adopted the gas values at the point of entry into the transport system, applicable as of December 1, 2017, and also (ii) issued Resolution No. 133/2017 approving the tariffs to be applied to the gas consumption as of December 1, 2017.

As for other services, including electricity, a public hearing was held on October 28, 2016 to consider a proposed 31% tariff increase sought by energy distributors. Subsequently, the Argentine government announced increases in electricity rates of between 60% and 148%. On March 31, 2017, the Argentine Secretariat of Energy published a new tariff schedule with increases of approximately 24% for supply of natural gas by networks that had been partially regulated since April 1, 2017. In addition, on November 17, 2017, a public hearing convened by the former Minister of Energy and Mining was held to update the tariff schedule for natural gas and electricity. The new tariff schedule foresees a gradual reduction of subsidies, resulting in an increase, between December 2017 and February 2018, between 34% and 57% (depending on the province) for natural gas and 34% for electricity. In addition, on May 31, 2018, the Argentine Congress approved a law seeking to limit the increase in energy tariffs, which was subsequently vetoed by the Argentine Executive Branch. On August 1, 2018, pursuant Resolution No. 208/2018 of the National Electricity Regulatory Board (ENRE), the Argentine Secretariat of Energy published a new tariff schedule with increases in electricity rates.

Additionally, through Resolution No. 46/2018, the former Ministry of Energy instructed the former Secretariat of Energy to carry out the necessary measures to ensure that CAMMESA implemented the relevant mechanisms to secure gas availability for the purpose of electricity generation within the Argentine Interconnection System ("AIS"), pursuant to maximum reference prices approved by such Resolution. Such reference prices, set at the point of entry into the transportation system, (i) varied depending on the basin in which the gas was produced, and (ii) pursuant to Resolution No. 25/2018, were not applicable if the seller was *Integración Energética Argentina* ("IEASA", formerly ENARSA).

The issuance of Resolution No. 46/2018 (as amended by Resolution No. 25/2018), meant a reduction of the prices previously set forth by the Argentine Secretariat of Energy by means of Resolution No.41/2016 of April 7, 2016.

In addition, the Solidarity Law empowered the Argentine Executive Branch to "maintain" natural gas tariffs under federal jurisdiction, renegotiate the integral tariff revision or initiate an extraordinary revision in accordance with Laws No. 24,065 and No. 24,076 for a term of maximum 180 days from the date the law is passed, offering a reduction of the real tariff burden on domestic, commercial and industrial consumers for the year 2020. On June 19, 2020, Decree No. 543/2020 extended the term established in Article 5 of the Social Solidarity Law until the end of 2020. On December 17, 2020, Decree No. 1,020 / 2020 extended the freezing of electricity and natural gas rates for a period of 90 days or until the new transitory rate schedules agreed in the transitory agreements come into effect.

Also, the Solidarity Law entitles the Argentine Executive Branch to intervene in the management of the ENARGAS (*Ente Nacional Regulador del Gas*) and the ENRE. On March 17, 2020, Decree No. 278/2020 was published in the Official Gazette, which provides for the State intervention in ENARGAS until December 31, 2020, which was extended by Decree No. 1,020/2020 until the earlier of (i) December 31, 2021, or (ii) until the end of the renegotiation of the tariff revision provided for by the decree is completed, the earlier of.

In December 2020, the Argentine government decreed the initiation of a comprehensive rate review for services rendered by providers of public transportation and distribution services of electric energy and natural gas under federal jurisdiction. The renegotiation of the current tariffs is expected to be completed within a two year period, and will be conducted by the ENRE and ENARGAS respectively, enabling citizen participation mechanisms. Current rates were extended for an additional 90 calendar days or until the new transitory tariff schedules come into effect, which ENRE and ENARGAS are empowered to agree upon until they reach a definitive renegotiation agreement with the licensees. In addition, the intervention of ENRE and ENARGAS is extended until the earlier of December 31, 2021 or the completion of the rate renegotiation.

On February 22, 2021, the ENARGAS issued Resolution No. 47/2021, setting a public hearing with the purpose of treating the "Tariff Transition Regime", pursuant to Decree No. 1020/2020. The public hearing (No. 101) was held on March 16, 2021.

Changes in the energy regulatory framework and the establishment of increased tariffs for the supply of gas and electricity could affect our cost structure and increase operating and public service costs. Moreover, the significant increase in the cost of energy in Argentina, could have an adverse effect on the Argentine economy, and therefore, on our business, financial condition and results of operations.

There is uncertainty about what other measures the Argentine government may adopt related to tariffs, and the impact they may have on the economy of the country. If the federal Argentine government does not resolve the negative effects on the exploitation, transportation and distribution of energy in Argentina with respect to both the residential and industrial supply, this could reduce confidence and adversely affect Argentina's economy and financial situation and cause political instability. On the other hand, if the necessary investment to increase the production of natural gas and the transportation and distribution of energy is not specified in a timely manner, the economic activity in Argentina could be negatively affected and our business, financial condition and results of operations could be negatively affected.

Federal and provincial elections in Argentina may generate uncertainty in the Argentine economy and, consequently, on our businesses.

Argentina' s presidential elections took place on August and October 2019 (primaries and first round, respectively), with Alberto Fernandez from the Frente de Todos coalition being elected with 48.24% of the votes. The Fernandez administration took office on December 10, 2019. The next country-wide elections are scheduled for October 24, 2021. Elections will be held to vote for one-third of the members of the Argentine Senate and half of the members of the Argentine Chamber of Deputies. Other relevant local and federal elections also took place during 2019. Changes in the local and federal administrations may also imply alterations of programs and policies that apply to the oil and gas sector. Argentina's president and its Congress each have considerable power to determine governmental policies and actions that relate to the Argentine economy. Therefore, we cannot foresee measures that

might be adopted by any future federal administration, or by any future administration at the provincial level, and the effect any such measures might have on the Argentine economy and the ability of Argentina to comply with its financial obligations, which could negatively affect our business, financial condition and results of operations. In addition, we cannot assure you that economic, regulatory, social and political developments in Argentina will not impair our business, financial condition or results of operations, or cause the market value of our shares or ADSs to decline.

Failure to adequately address actual and perceived risks of institutional deterioration and corruption may adversely affect Argentina's economy and financial condition and, consequently, our business.

A lack of a solid and transparent institutional framework for contracts with the Argentine government and its agencies and corruption allegations have affected and continue to affect Argentina. In Transparency International's 2020 Corruption Perceptions Index survey of 180 countries, Argentina was ranked 78, decreasing from the previous survey in 2019. In the World Bank's Doing Business 2020 report, Argentina ranked 126 out of 190 countries, maintaining its position in 2019.

As of the date of this annual report, there are various ongoing investigations into allegations of money laundering and corruption being conducted, which have negatively impacted the Argentine economy and political environment. Depending on how long it takes to close said investigations and their results, companies involved in the investigations may be subject to, among other consequences, a decrease in their credit ratings, claims filed by their investors, and may further experience restrictions in their access to financing through the capital markets, together with a decrease in their income. The potential outcome of these and other ongoing corruption-related investigations is uncertain, but they have already had an adverse impact on the image and reputation of those companies that have been implicated, as well as on the general market perception of the economy, political environment and the capital markets in Argentina. We have no control over and cannot predict whether such investigations or allegations will lead to further political and economic instability. In addition, we cannot predict the outcome of any such allegations nor their effect on the Argentine economy, nor the can we predict the adverse effect on our commercial activities and results of operations.

Recognizing that the failure to address these issues could increase the risk of political instability, distort decision-making processes and adversely affect Argentina's international reputation and ability to attract foreign investment.

The Argentine State owns the hydrocarbons reserves located in the subsoil in Argentina

Section 1 of the Hydrocarbons Law No. 17,319 provides that liquid and gaseous hydrocarbon deposits located in the territory of the Argentina and in its continental shelf belong to the inalienable and imprescriptible patrimony of the Argentine State. However, the exploration and production of oil and natural gas is carried out through exploration permits and exploitation concessions granted to public and private companies. Access to crude oil and natural gas reserves is essential to an oil and gas company's sustained production and generation of income, and our ability to generate income would be materially and adversely affected if the Argentine government were to restrict or prevent us from exploring or extracting any of the crude oil and natural gas reserves that it has assigned to us or if we are unable to compete effectively with other oil and gas companies in future bidding rounds for additional exploration and production rights in Argentina. For an overview of the framework governing oil and gas exploitation concessions in Argentina, see "Item 4—Information on the Company—History and Development of the Company—Industry and Regulatory Overview——Oil and Gas Regulatory Framework in Argentina."

Economic conditions and government policies in Mexico and elsewhere may have a material impact on our operations.

A deterioration in Mexico's economic condition, social instability, political unrest, changes in governmental policies, or other adverse social developments in Mexico could adversely affect our business and financial condition. Those events could also lead to increased volatility in the foreign exchange and financial markets, thereby affecting our ability to obtain financing. Additionally, the Mexican government announced budget cuts in November 2015, February 2016 and September 2016 in response to declines in international crude oil prices. Any new budget cuts could adversely affect the Mexican economy and, consequently, our business, financial condition, operating results and prospects.

In the past, Mexico has experienced several periods of slow or negative economic growth, high inflation, high interest rates, currency devaluation and other economic problems. These problems may worsen or reemerge, as applicable, in the future and could adversely affect our business and ability to service our debt. A worsening of international financial or economic conditions, such as a slowdown in growth or recessionary conditions in Mexico's trading partners, including the United States, or the emergence of a new financial crisis, could have adverse effects on the Mexican economy, our financial condition and our ability to service our debt.

Also, the Mexican government has had significant influence in the Mexican economy in the past and will likely continue to do so. Changes in the legal framework and policies may adversely affect our business and the value of our securities.

Criminal activity in Mexico could affect our operations.

In recent years, Mexico has experienced a period of increasing criminal activity, primarily due to the activities of drug cartels and related criminal organizations. In addition, the development of the illicit market in fuels in Mexico has led to increases in theft and illegal trade in the fuels that we produce. In response, the Mexican government has implemented various security measures and has strengthened its military and police forces. Despite these efforts, criminal activity continues to exist in Mexico, some of which may target our facilities and products. These activities, their possible escalation and the violence associated with them, in an extreme case, may have a negative impact on our financial condition and results of operations. We are particularly exposed to this risk in blocks where we hold non-operating interests and have more limited capacity to take actions against any criminal activity affecting our operations, such as Block TM-01, located in Tampico-Misantla basin in Mexico.

Economic and political developments in Mexico may adversely affect Mexican economic policy and, in turn, our operations

Political events in Mexico may significantly affect Mexican economic policy and, consequently, our operations. The Mexican presidential elections of 2018 resulted in an administration change effective as of December 1, 2018. The new Mexican Federal administration was elected by a significant majority of the electorate and the coalition *Juntos Haremos Historia* gained control of both chambers of the Federal Congress, which has given *Morena* (the party of Andrés Manuel López Obrador) considerable power to enact, modify or terminate legislation, including constitutional amendments. Members of the new administration, including president Andrés Manuel López Obrador have expressed, among other things, their desire to modify and/or terminate certain structural reforms. Some relevant changes in public policy and legislation sponsored by the new administration have already been enacted and/or implemented and some are under way. There cannot be any assurance in the predictions of how the new administration will be conducted and any measure adopted by such new administration could have uncertain results and negative impacts. Additionally, other events and changes, and any political and economic instability that may arise in Mexico, could have a material adverse effect on the economy of the country. The extent of such impact cannot be accurately predicted. We cannot provide any assurances that political developments in Mexico will not have an adverse effect on the Mexican economy or oil and gas industry and, in turn, our business, results of operations and financial condition, including our ability to repay our debt. There is no guarantee that the Mexican political environment will continue its relative stability in the future.

Economic conditions in Mexico are highly correlated with economic conditions in the United States due to the physical proximity and the high degree of economic activity between the two countries generally, including the trade facilitated by the North American Free Trade Agreement ("NAFTA"). As a result, political developments in the United States, including changes in the administration and governmental policies, can also have an impact on the exchange rate between the U.S. Dollar and the Mexican peso, economic conditions in Mexico and the global capital markets.

Since 2003, exports of petrochemical products from Mexico to the United States have enjoyed a zero-tariff rate under NAFTA and, subject to limited exceptions, exports of crude oil and petroleum products have also been free or exempt from tariffs. In August 2017, Mexico, the United States and Canada commenced renegotiation of NAFTA. On November 30, 2018, Mexico, the United States and Canada signed the new United States-Mexico-Canada Agreement (the "USMCA"). As of the date of this annual report, the United States, Mexico and Canada have completed their domestic processes for the ratification and implementation of the USMCA, and the USMCA entered into force as of July 1, 2020. Any increase of import tariffs resulting from the USMCA or any other future

arrangement could make it economically unsustainable for U.S. companies to import our oil and gas products if they are unable to transfer those additional costs onto consumers, which would increase our expenses and decrease our revenues, even if domestic and international prices for our products remain constant. Higher tariffs on products that we export to the United States could also require us to renegotiate our contracts or lose business, resulting in a material adverse impact on our business and results of operations.

In addition, the election of President Joseph R. Biden and the recent change in the U.S. administration may have an impact on the worldwide economy and in Mexico. The policies of the U.S. government towards Mexico have, from time to time, created instability, uncertainty and may adversely affect the Mexican economy. For example, in 2019, former President Donald Trump instituted import tariffs and enforced measures intended to control illegal immigration from Mexico, each of which has created friction between the U.S. and Mexican governments and may reduce economic activity between these countries. On January 20, 2021, Joseph R. Biden became the 46th President of the United States, and his administration may pass legislation that could impact Mexico. While the Mexican and U.S. governments have been able to reach an understanding in the past, we cannot assure you that such understanding will remain in place or that the U.S. government will not impose policies on Mexico in the future and that we will not be materially adversely affected by such policies in the future.

Because the Mexican economy is heavily influenced by the U.S. economy, the implementation of the USMCA and/or other U.S. government policies that may be adopted by the U.S. administration may adversely affect economic conditions in Mexico. These developments could in turn have an adverse effect on our financial condition, results of operations and ability to repay our debt.

Additionally, President Andrés Manuel López Obrador and his administration have recently taken actions for limiting new private investment in the hydrocarbons industry, including the cancellation of tender bids for the execution of E&P agreements. As of the date of this annual report, no other tender bids have been announced, and certain state officers have stated during press conferences that hydrocarbon tender rounds and farm-outs are not currently a part of the Federal Government's plans to increase oil production. These actions may adversely affect our ability to expand our operations in Mexico.

The Mexican nation owns the hydrocarbons reserves located in the subsoil in Mexico.

The Mexican Constitution provides that the Mexican nation, and not us, owns all petroleum and other hydrocarbon reserves located in the subsoil in Mexico. Article 27 of the Mexican Constitution provides that the Mexican government will carry out exploration and production ("E&P") activities through contracts with third parties or allocations awarded to State Productive Enterprises (*empresas productivas del Estado*). The Mexican Hydrocarbons Law allows us and other oil and gas companies to explore and extract the petroleum and other hydrocarbons reserves located in Mexico, subject to the entry into agreements pursuant to a competitive bidding process. Access to crude oil and natural gas reserves is essential to an oil and gas company's sustained production and generation of income, and our ability to generate income would be materially and adversely affected if the Mexican government were to restrict or prevent us from exploring or extracting any of the crude oil and natural gas reserves that it has assigned to us or if we are unable to compete effectively with other oil and gas companies in future bidding rounds for additional exploration and production rights in Mexico. For more information, see "Item 4—Information on the Company—Industry and Regulatory Overview—Mexico's Oil and Gas Industry Overview—Oil and Gas Regulatory Framework in Mexico."

The U.K.'s exit from the E.U. will have uncertain effects.

On June 23, 2016, the U.K. voted to exit from the E.U. (commonly referred to as "Brexit"). The U.K. exited the European Union on January 31, 2020, with the transition period that was in place ending on December 31, 2020. While the rules governing the new relationship between U.K/E.U took effect on January 1, 2021, the outcome of such exit and the resulting U.K./E.U. relationship are still uncertain for companies doing business both in the U.K. and the overall global economy. In addition, our business and operations may be impacted by any subsequent vote in Scotland to seek independence from the U.K. Risks related to the execution of Brexit that we may encounter include:

- adverse impact on macroeconomic growth and oil and gas demand;

- continued volatility in currencies including the British pound and U.S. Dollar that may impact our financial results;
- volatile capital and debt markets, and access to other sources of capital;
- business uncertainty resulting from prolonged political negotiations; and
- uncertain stability of the E.U. and global economy if other countries exit the E.U.

Given the lack of comparable precedent, it is unclear what financial, trade and legal implications the withdrawal of the U.K. from the E.U. will have and how such withdrawal will affect us. In addition, Brexit may lead other E.U. member countries to consider referendums regarding their E.U. membership. Adverse consequences concerning Brexit or the E.U. could include deterioration in global economic conditions, instability in global financial markets, political uncertainty, continued volatility in currency exchange rates, or adverse changes in the cross-border agreements currently in place, any of which could have an adverse impact on our financial results in the future.

The coronavirus and the measures taken or to be implemented by the Argentine and Mexican governments in response to the coronavirus have had and could continue to have a significant adverse effect on our business operations.

In late December 2019 a notice of pneumonia originating from Wuhan, Hubei province (COVID-19, caused by a novel coronavirus) was reported to the World Health Organization, with cases soon confirmed in multiple provinces in China, as well as in other countries. Several measures have been undertaken by the Argentine and Mexican governments and other governments around the globe, including the use of quarantine, screening at airports and other transport hubs, travel restrictions, suspension of visas, nation-wide lockdowns, closing of public and private institutions, suspension of sports events, restrictions to cultural sites and tourist attractions and extension of holidays, among many others. However, the virus continues to spread globally and, as of the date of this annual report, has affected almost every country around the world, including Argentina and Mexico. To date, the outbreak of the novel coronavirus has caused significant social and market disruption, including in the oil and gas market. The long-term effects to the global economy and the Company of epidemics and other public health crises, such as the on-going novel coronavirus, are difficult to assess or predict, and may include risks to employee health and safety, and reduced sales in geographic locations impacted. Any prolonged restrictive measures put in place in order to control an outbreak of a contagious disease or other adverse public health development in any of our targeted markets may have a material and adverse effect on our business operations. In addition, an actual or expected economic slowdown may adversely affect the demand and prices of our oil and gas products. We may also be affected by the need to implement policies limiting the efficiency and effectiveness of our operations, including the suspension of our field operations in the concessions we operate or work from home policies for personnel not involved in direct field operations. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term.

On March 19, 2020, President Alberto Fernández issued Decree No. 297/2020, establishing a period of preventive and mandatory social isolation, or quarantine as a public health measure aimed at addressing the effects of the COVID-19 pandemic. The aforementioned decree imposed a nation-wide mandatory lockdown, initially until March 31, 2020, whereby only exceptional and essential activities and internal travel are allowed; deployment of security forces for the enforcement of lockdown. The mandatory lockdown ordered by Decree No. 297/2020, was effective between March 20 and March 31, 2020, inclusive, that was subsequently extended on several occasions until November 9, 2020, the date on which the measure of "social, preventive and obligatory distancing" took effect in most of the country, although certain urban agglomerates, departments and parties in some provinces were maintained under the preventive and mandatory social isolation, in both cases until November 29, 2020. The social distancing period was accompanied by a series of relaxations to the originally imposed limitations, such as the circulation without the need of an enabling certificate between the areas subject to the social, preventive and obligatory distancing, the performance of economic, industrial, commercial or service activities, which have an operating protocol approved by the health authorities, and artistic and sporting activities under certain circumstances. As of the date of this annual report, different regions of Argentina have switched between the quarantine and social distancing periods, depending on the epidemiological situation of each area. In addition, as a consequence of the worsening of the epidemiological situation in Argentina, as well as the large increase in the number of daily COVID-19 cases, the Argentine Executive Branch continues to tighten the measures required to tackle the rising in coronavirus cases. As of the date of this annual report, the Argentine government has re-established certain restrictions due to a new COVID-19 outbreak.

In light of the aforementioned measures, during 2020 most of the Argentine companies were forced to suspend their business operations during this period, stressing their financial condition in the short and medium term, not only due to a drop in their revenues but also by reason of the increased risk that their own debtors should default on their assumed payment obligations.

Simultaneously, the Argentine government announced and implemented several stimulus measures to limit the effects of the COVID-19 pandemic on the economy, which include, but is not limited to, the following:

- a one-time AR$3,100 cash payment to recipients of the universal child allowance;
- a one-time AR$3,000 cash payment to retirees receiving minimum benefits (currently AR$15,892) and those that receive above the minimum but less than Argentine pesos 18,892, which covered approximately 4.6 million retirees;
- a one-time AR$3,000 cash payment to recipients of social plans, which targeted approximately 556,000 persons;
- a one-time AR$10,000 cash payment which was be granted to approximately 8,857,063 unemployed persons and persons employed informally, among other socially vulnerable persons;
- the creation of an unemployment insurance comprised of monthly payments ranging between AR$6,000 and AR$10,000 to be granted to unemployed persons;
- a capital spending program on infrastructure, education and tourism for approximately AR$100 billion;
- an exemption to companies in vulnerable industries from payments relating to employers' pension contributions, an increase in unemployment insurance and payment by the federal government of a portion of wages for affected companies with a payroll of less than 100 employees; and
- subsidized loans to small- and medium-sized companies (PYMES) via the financial system of approximately AR$30 billion for working capital;
- subsidized loans to companies affected by the COVID-19 pandemic and the measures adopted by the Argentine government to address the pandemic.

Other measures adopted by the Argentine government to mitigate the effects of the COVID-19 pandemic in the economy include, but are not limited to, the following:

- the prohibition of the disconnection of electric energy, natural gas, running water, fixed telephony, mobile telephony, internet and cable television services due to non-payment of less than three invoices commencing on March 1, 2020 until December 31, 2020, which applies to certain vulnerable users;
- the suspension of certain penalties and disqualifications applicable to checking accounts with insufficient funds until December 31, 2020, and the authorization for banks to grant loans to companies with outstanding debts with ANSES and AFIP;
- the price freezes as of March 6, 2020, for certain essential goods such as food, personal care, medicines and medical products until May 15, 2021;

- the imposition of maximum prices on goods and services acquired by the federal government to address the emergency;
- the suspension of rent increases, extension of lease contract expiration dates and suspension of evictions due to non-payment of leases until March 31, 2021;
- the freezing of mortgage payments and certain UVA-indexed loans (purchasing value unit);
- the adoption of a program to increase productivity (*Programa de Recuperación Productiva*, or "REPRO") by which the federal government funds a portion of the monthly wages of private sector employees working for companies affected by the pandemic and whose revenues have declined;
- the requirement that employers pay double severance pay for dismissal without fair cause. On January 22, 2021, the Argentine government extended the public emergency in occupational matters until December 31, 2021, therefore prohibiting the dismissal of workers without fair cause, as well as dismissals and suspensions due to a lack or reduction in activity and force majeure, and imposing double compensation for unjustified employment dismissals (for a maximum amount of AR$500,000) until such date;
- the reduction of pension and tax charges to health service providers aimed at strengthening the health sector and ensuring medical assistance;
- the shortening of the term applicable to export reimbursements for industrial sector companies;
- requirement that exports of medical inputs and equipment necessary to overcome the pandemic obtain prior governmental authorization;
- one-time AR$5,000 payment to public sector employees in the health, security and national defense areas;
- elimination of import taxes applicable to certain essential goods such as alcohol, laboratory or pharmaceutical items, medical gloves, disinfectants and other health-related equipment and inputs;
- suspension until May 31, 2021 of tax foreclosures by AFIP for PYMES;
- assistance by the national government to the provinces in an aggregate amount of AR$120 billion.
- the adoption of a debt regularization regime was established which will allow self-employed persons, single-taxpayers and companies to access a payment plan for tax and social security debts accumulated until July 31, 2020, and at the same time it provided for rewards for taxpayers who comply with the law

On the other hand, in the context of the crisis caused by the COVID-19 pandemic, several bills were submitted to amend Law No. 24,522 (as amended and supplemented, the "Argentine Bankruptcy Law ") in order to mitigate the decrease in the companies' income, their equity vulnerability, breach of contracts and possible speculative actions and the impact that the COVID-19 pandemic had on companies' solvency. As of the date of this annual report, a bill has been submitted to the Argentine Congress seeking to suspend until June 30, 2021, the procedural deadlines in all proceedings governed by the Argentine Bankruptcy Law, and in the case of new lawsuits initiated as from the effective date of the law, the term will be 180 days and the judge may, at the request of the debtor, under the conditions established by such law.

Consistent with recommendations that the World Health Organization urged to be taken by all countries affected by the COVID-19 pandemic, the Mexican government through the Mexican General Health Council (*Consejo de Salubridad General*) and by means of decrees (*acuerdos*) dated March 24 and March 30, 2020, declared (among other things) the epidemic of the disease generated by the COVID-19 virus a "sanitary emergency for reasons of force majeure". In response to the foregoing, the Mexican Federal Ministry of Health (*Secretaría de Salud*), issued a decree (*acuerdo*) that establishes as part of the measures to mitigate the spread and transmission of the virus, the immediate suspension of non-essential activities in the public, private and social sectors from March 30 to April 30, 2020. This decree, among other things:

- provides a list of essential activities that can continue functioning, including gas as both a fundamental sector of the economy and an indispensable service, and petroleum as the latter, which includes any necessary activity for the conservation, maintenance and reparation of critical infrastructure that assures their production and distribution. It also considers the distribution and sale of energy as an essential activity.
- obliges all companies engaged in essential activities to follow the sanitary measures dictated by the Mexican Federal Ministry of Health, including the following: no meetings or gatherings of more than 50 persons shall be allowed; frequent handwashing is required; sneezing shall be done covering both nose and mouth with either a handkerchief or forearm; no physical contact in greetings; and the following individuals shall stay home: all people over 60 years old, in pregnancy or immediate puerperium, with a diagnostic of arterial hypertension, diabetes mellitus, cardiac or pulmonary chronic diseases, immunosuppression (either acquired or provoked), and kidney or liver failure.

Authorities within the financial and energy sector—in tandem with other Ministries, the Legislative and the Judiciary Branches—have also enacted decrees suspending their own legal terms, considering as non-business days all those necessary to combat the epidemic, with respect to both proceedings initiated by private persons and those conducted by said authorities. It is expected that these decrees will postpone their period of application in line with those of the sanitary authorities.

In a similar manner, the Government of Mexico City and the governments of states of the Mexican Republic have issued similar decrees ordering the suspension of certain activities considered non-essential during the sanitary emergency. As the sanitary emergency continues to progress, Mexico's federal, state, and municipal Governmental Authorities will continue to issue decrees, orders, and provisions restricting and limiting the activities that companies, businesses, and individuals may carry out, while the sanitary emergency is ongoing, as well as some other financial and economic measures to face the economic and financial impact of this event.

It is likely that the suspension period enacted by the Mexican authorities will be extended, from time to time, given the authorities powers granted by the Constitution to the Mexican General Health Council and Federal Ministry of Health, and as the COVID-19 pandemic situation worsens and further measures are adopted. In fact, certain communications announced in press conferences by the Mexican Presidency, state that these restrictions will last several weeks more.

We cannot predict or estimate the ultimate negative impact that the COVID-19 pandemic will have in our results of operations and financial condition, since it remains highly uncertain and will depend on future developments outside of our control, including the intensity and duration of the pandemic and measures taken in order to contain the virus or mitigate the economic impact by the Argentine or Mexican governments.

Risks Related to our series A shares and the ADSs

The series A shares and ADSs are traded on more than one market and this may result in price variations; in addition, investors may not be able to easily move securities for trading between such markets.

As of the date of this annual report, our series A shares are listed and traded on the Mexican Stock Exchange and ADSs are listed on the NYSE. Markets for our series A shares or for the ADSs may not have liquidity and the price at which the series A shares or the ADSs may be sold is uncertain.

Trading in the ADSs or our series A shares on these markets takes place in different currencies (U.S. Dollars on the NYSE and Mexican pesos on the Mexican Stock Exchange), and at different times (resulting from different time zones, different trading days and different public holidays in the United States and Mexico). The trading prices of the securities on these two markets may differ due to these and other factors. Any decrease in the price of our series

A shares on the Mexican Stock Exchange could cause a decrease in the trading price of the ADSs on the NYSE. Investors could seek to sell or buy our shares to take advantage of any price differences between the markets through a practice referred to as arbitrage. Any arbitrage activity could create unexpected volatility in both our share prices on one exchange, and the ADSs available for trading on the other exchange. In addition, holders of ADSs will not be immediately able to surrender their ADSs and withdraw the underlying series A shares for trading on the other market without effecting necessary procedures with the Depositary. This could result in time delays and additional cost for holders of the ADSs.

The trading prices for the series A shares and the ADSs may fluctuate significantly.

Volatility in the market price of our series A shares and the ADSs may prevent investors from selling their securities at or above the price that they paid for them. The market price and market liquidity of our series A shares and the ADSs may be adversely affected by a number of factors, including, but not limited to, the extent of investor interest in us, the attractiveness of our series A shares in comparison to other equity securities (for instance, shares issued by a company with larger operating history in our own industry), our financial performance and general market conditions. Certain additional factors that could negatively affect, or result in fluctuations in, the price of our series A shares and the ADSs include:

- actual or anticipated variations in our operating results;
- potential differences between our actual financial and operating results and those expected by investors;
- investors' perceptions of our prospects and the prospects of our sector;
- new laws or regulations or new interpretations of laws and regulations, including tax guidelines, applicable to the energy sector, our series A shares and/or the ADSs;
- general economic trends and risks in the United States, Latin American or global economies or financial markets, including those resulting from war, incidents of terrorism or responses to such events;
- changes in our operations or earnings estimates or publication of research reports about us or the Latin American energy industry;
- market conditions affecting the Latin American economy generally or borrowers in Latin America specifically;
- significant volatility in the market price and trading volume of securities of companies in the energy sector, which are not necessarily related to the operating performance of these companies;
- additions to or departures from our Management Team;
- completing (or failing to complete) additional acquisitions or executing additional concession agreements;
- speculation in the press or investment community;
- changes in the credit ratings or outlook assigned to Latin American countries, particularly Mexico and Argentina, and entities of the energy sector;
- political conditions or events in Argentina, Mexico, the United States and other countries; and
- enactment of legislation or other regulatory developments that adversely affect us or our industry.

The stock markets in general have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the companies involved. We cannot assure you that trading prices and valuations will be sustained. These broad market and industry factors may materially adversely affect the market price of our series A shares and the ADSs, regardless of our operating performance. Market fluctuations, as well as general political and economic conditions in the markets in which we operate, such as recession or currency exchange rate fluctuations, may also adversely affect the market price of our series A shares and ADSs. Following periods of volatility in the market price of a company's securities, that company may often be subject to securities class-action litigation. This kind of litigation may result in substantial costs and a diversion of management's attention and resources, which would have a material adverse effect on our business, results of operations and financial condition.

The relatively low liquidity and high volatility of the Mexican securities market may cause trading prices and volumes of our series A shares and the ADSs to fluctuate significantly.

The Mexican Stock Exchange is one of Latin America's largest exchanges in terms of aggregate market capitalization of the companies listed therein, but it remains relatively illiquid and volatile compared to other major foreign stock markets. Although the public participates in the trading of securities on the Mexican Stock Exchange, a substantial portion of trading activity on the Mexican Stock Exchange is conducted by or on behalf of large institutional investors. The trading volume for securities issued by emerging market companies, such as Mexican companies, tends to be lower than the trading volume of securities issued by companies in more developed countries. These market characteristics may limit the ability of a holder of our series A shares and may also adversely affect the market price of the series A shares and, as a result, the market price of the ADSs.

If securities or industry analysts do not publish research reports about our business, or publish negative reports about our business, the price and trading volume of our series A shares and the ADS could decline.

The trading market for our series A shares and the ADSs will depend in part on the research and reports that securities or industry analysts publish about us, our business, our market or our competitors. If no securities or industry analysts covers us, the trading price for our series A shares and the ADSs may be negatively impacted. If one or more of the analysts who covers us downgrades us or releases negative publicity about our series A shares and ADSs, our share price would likely decline. If one or more of these analysts ceases to cover us or fails to regularly publish reports on us, interest in our series A shares and the ADSs may decrease, which may cause our share price or trading volume to decline.

As a foreign private issuer and an "emerging growth company," we have different disclosure and other requirements than U.S. domestic registrants and non-emerging growth companies.

As a foreign private issuer and an "emerging growth company" (as defined in the JOBS Act), we are subject to different disclosure and other requirements than domestic U.S. registrants and non-emerging growth companies. For example, as a foreign private issuer, in the United States, we are not subject to the same disclosure requirements as a domestic U.S. registrant under the Exchange Act, including the requirements to prepare and issue quarterly reports on Form 10-Q or to file current reports on Form 8-K upon the occurrence of specified significant events, the proxy rules applicable to domestic U.S. registrants under Section 14 of the Exchange Act or the insider reporting and short-swing profit rules applicable to domestic U.S. registrants under Section 16 of the Exchange Act. In addition, we have relied, and intend to keep relying, on exemptions from certain U.S. rules which permit us to follow Mexican legal requirements rather than certain of the requirements that are applicable to U.S. domestic registrants.

Furthermore, foreign private issuers are required to file their annual report on Form 20-F within 120 days after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year. Foreign private issuers are also exempt from Regulation Fair Disclosure under the Securities Act, aimed at preventing issuers from making selective disclosures of material information. As a result of the above, even though we are required to file reports on Form 6-K disclosing the information which we have made or are required to make public pursuant to Mexican law, or are required to distribute to shareholders generally, and that is material to us, you may not receive information of the same type or amount that is required to be disclosed to shareholders of a U.S. company.

The JOBS Act contains provisions that, among other things, relax certain reporting requirements for emerging growth companies. Under this act, as an emerging growth company, we are not subject to the same disclosure and financial reporting requirements as non-emerging growth companies. For example, as an emerging growth company we are permitted to take (and intend to continue taking) advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies. Also, we do not have to comply with future audit rules promulgated by the PCAOB (unless the SEC determines otherwise) and our auditors do not need to attest to our internal control under Section 404(b) of the Sarbanes-Oxley Act. We may follow these reporting exemptions until we are no longer an emerging growth company. As a result, our shareholders may not have access to certain information that they deem important. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the completion of our initial public offering, (b) in which we have total annual revenues of at least US$1.07 billion (as adjusted for inflation), or (c) in which we are deemed to be a large accelerated filer, which means the market value of our series A shares that is held by non-affiliates exceeds US$700.0 million as of the prior September 30, and (2) the date on which we have issued more than US$1.0 billion in non-convertible debt during the prior three-year period. Accordingly, the information about us available to you is not the same as, and may be more limited than, the information available to shareholders of a non-emerging growth company.

We cannot predict if investors will find our series A shares or the ADSs less attractive because we rely on these exemptions. If some investors find our series A shares and the ADSs less attractive as a result, there may be a less active trading market for our series A shares and the ADSs and our share price may be more volatile.

ADS holders may be subject to additional risks related to holding ADSs rather than series A shares.

Because ADS holders do not hold their series A shares directly, they are subject to additional risks, including:

- as an ADS holder, we do not treat you as one of our shareholders and you may not be able to exercise shareholder rights;
- distributions on the series A shares represented by your ADSs are paid in Mexican Pesos to a custodian through Indeval, and before such custodian transfers any such distributions to the depositary for your benefit, it would be required to deduct withholding taxes, if any. The depositary would also be required to convert distributions made in Mexican Pesos into U.S. Dollars. Additionally, if the exchange rate fluctuates significantly prior to the depositary converting any distribution into U.S. Dollars, the amount of such distribution may decrease in terms of U.S. Dollars; and
- we and the depositary may amend or terminate the Deposit Agreement without the ADS holders' consent in a manner that could prejudice ADS holders or that could affect the ability of ADS holders to transfer ADSs.

We have granted, and may continue to grant, share incentive awards, which may result in increased share-based compensation expenses and holders of our series A shares and ADSs may suffer further dilution.

We adopted our Long Term Incentive Plan in April 2018 for purposes of attracting and retaining talented people as officers, directors, employees and consultants which are key to us, incentivizing their performance and aligning their interests with ours. Under the Long Term Incentive Plan, our Board of Directors is authorized to grant restricted series A shares ("Restricted Stock") and options to purchase our series A shares ("Stock Options") to our officers, directors, employees and consultants. We reserved 8,750,000 series A shares issued on December 18, 2017 for the implementation of the Long Term Incentive Plan. As of December 31, 2020, 1,035,714 series A shares have been vested and are outstanding in connection with the Long-Term Incentive Plan. As of the day of this annual report, 1,062,881 series A shares have been vested and are outstanding in connection with the Long-Term Incentive Plan. We believe the granting of share incentive awards is of significant importance to our ability to attract and retain employees, and we will continue to grant share incentive awards to employees in the future. As a result, our expenses associated with share-based compensation may increase, which may have an adverse effect on our results of operations.

Additionally, the vesting of series A shares reserved for the Long Term Incentive Plan may cause immediate dilution to our existing shareholders and may also have a dilutive effect in our earnings per share. If all 7,687,119 series A shares currently reserved for the Long Term Incentive Plan became outstanding, our issued and outstanding share capital would increase approximately 9% based on 87,878,453 series A shares outstanding as of the date of this annual report.

ADS holders may be unable to exercise voting rights with respect to the shares underlying the ADSs at our shareholders' meetings.

The depositary is treated by us for all purposes as the shareholder with respect to the shares underlying your ADSs. As a holder of ADSs, you do not have direct shareholder rights and may exercise voting rights with respect to the shares represented by the ADSs only in accordance with the Deposit Agreement relating to the ADSs. There are no provisions under Mexican law or under our bylaws that limit the exercise by ADS holders of their voting rights through the depositary with respect to the underlying series A shares. However, there are practical limitations on the ability of ADS holders to exercise their voting rights due to the additional procedural steps involved in communicating with these holders. ADS holders may be unable to exercise voting rights with respect to the series A shares underlying the ADSs as a result of these practical limitations.

Preemptive rights may be unavailable to non-Mexican holders of ADSs and, as a result, such holders may suffer dilution.

Under our current by-laws, whenever we issue new shares for subscription and for payment in cash, subject to certain exceptions (such as those related to public offerings, mergers, or conversion of convertible securities, including our Warrants), we must grant preemptive subscription rights to our shareholders, giving them the right to purchase a sufficient number of shares to maintain their existing ownership percentage. We may not be able to offer preemptive rights to foreign shareholders and ADS holders identical to those of our shareholders residing in Mexico in connection with any future issuance of shares, unless we comply with certain specific requirements under the laws and regulations of the applicable jurisdictions of our non-Mexican shareholders. In the case of United States shareholders and ADS holders, we might not be able to offer them shares pursuant to preemptive rights granted to our shareholders in connection with any future issuance of shares, unless the offer of such shares is registered under the Securities Act or an exemption from the registration requirement is available.

We intend to evaluate, at the time of any preemptive prescription rights offering, the costs and potential liabilities associated with a registration statement or similar requirement to enable U.S. or other non-Mexican shareholders and ADS holders to exercise their preemptive subscription rights in the event of an issuance of shares; the indirect benefits of enabling U.S. and other non-Mexican shareholders and ADS holders to exercise preemptive subscription rights; and any other factors that we consider appropriate at the time. We will then decide whether to file such a registration statement or otherwise comply with a similar requirement.

In the event that a required registration statement or similar requirement is not filed or satisfied, U.S. or other non-Mexican shareholders or ADS holders, would not be able to exercise their preemptive subscription rights in connection with future issuances of our shares, and their stake in the Company might be diluted. In this event, the proportion of the economic and voting interests of such U.S. or other non-Mexican shareholders or ADS holders in our total equity could decrease in proportion to the size of the issuance. Depending on the price at which shares are offered, such an issuance could result in dilution in the book value per share to U.S. or other non-Mexican shareholders or ADS holders not participating in the capital increase.

Substantial sales of our series A shares or the ADSs could cause the price of our series A shares or the ADSs to decrease.

The market price of our series A shares and the ADSs may decline as a result of sales of a large number of series A shares and ADSs or the perception that these sales may occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

Our shareholders or entities controlled by them or their permitted transferees will be able to sell their shares in the public market from time to time without registering them, subject to certain limitations on the timing, amount and method of those sales imposed by regulations promulgated by the SEC, as well as any other regulation (including anti-trust rules) that may apply. If any of our shareholders, the affiliated entities controlled by them or their respective permitted transferees were to sell a large number of their shares, the market price of our series A shares may decline significantly and, as a result, the market price of the ADSs. In addition, the perception in the public markets that sales by them might occur may also adversely affect the market price of our series A shares and the ADSs.

The protections afforded to minority shareholders in Mexico are not as comprehensive as those in other jurisdictions, such as the United States.

Under Mexican law, the protections afforded to minority shareholders and the responsibilities and duties of directors and senior officers are different or not as complete as those in the United States. Although Mexican law establishes specific duties of care and loyalty applicable to our directors, committee members and senior officers, the Mexican legal regime governing directors, committee members and senior officers, and their duties, is not as comprehensive or developed as in the United States and has not been the subject of as broad and precise judicial interpretation. In addition, the criteria applied in other jurisdictions, including in the United States, to ascertain the independence of corporate directors may be different from the criteria applicable under corresponding Mexican laws and regulations. Furthermore, in Mexico, there are different procedural requirements for shareholder suits that work exclusively for our benefit (such as with respect to derivative suits) and not for the benefit of our shareholders (even those that initiate an action). As a result, it may be more difficult in practice for our minority shareholders to enforce their rights against us or our directors, committee members or senior officers, including for breach of their duties or care or loyalty) than it would be for shareholders of a United States or other non-Mexican company or to obtain compensation for minority shareholders, for losses caused by directors, committee members or senior officers as a result of a breach of their duties.

Our bylaws contain provisions aimed at restricting the acquisition of our shares and restricting the execution of voting agreements among our shareholders.

Pursuant to our bylaws, every direct or indirect acquisition of shares, or attempted acquisition of shares, of any nature by one or more persons or entities requires the prior written approval by the Board of Directors each time that the number of shares to be acquired, when added to any shares already owned by such person or entity, results in the acquirer holding 10% or more of our outstanding capital stock. Once such percentage is reached, such person or entity must notify our Board of Directors of any subsequent acquisition of shares by any such person or entity through which they acquire additional shares representing 2% or more of our outstanding capital stock. Prior, written approval must also be requested from our Board of Directors for the execution of written or oral agreements, as a consequence of which voting association, block voting, or binding or joint vote mechanisms or covenants are formed or adopted or certain shares are combined or shared in any other manner, which effectively results in a change in control of our Company or a 20% ownership interest in our Company. No additional authorization is required to carry-out such acquisitions or to execute a voting agreement until the ownership percentage of our outstanding capital stock is equal to or greater than 20%, nor is any additional authorization required with respect to entering temporary agreements for appointment of minority directors.

If an acquirer does not comply with the procedures described above, such acquired shares or shares regarding any voting agreement will not have any voting rights at any shareholders' meeting of our Company. Any such acquired shares which have not been approved by our Board of Directors shall not be registered in our stock registry book, entries in our stock registry book made beforehand will be canceled and the Company will not acknowledge or give any value to the records or listings referred to in Article 290 of the Mexican Securities Market Law (*Ley del Mercado de Valores*), any other provision that might substitute it from time to time and other applicable law. Therefore, such records or listings mentioned above will not be considered evidence of ownership of shares, shall not grant the right to attend shareholders' meetings or validate the exercise of any legal action, including any legal action of a procedural nature.

The provisions in our bylaws described above may only be amended or removed by the approval of shareholders holding at least 95% of our shares. This could hinder the process of selling our shares or the execution of agreements in connection with those shares.

These provisions in our bylaws could potentially discourage future purchases of a significant number of our shares, including potential future acquirers of our business, and, accordingly could adversely affect the liquidity and price of our series A shares.

Holders of our series A shares and the ADSs may suffer further dilution as a result of the exercise of our outstanding warrants.

The issuance of shares upon the exercise of outstanding warrants may cause immediate dilution to our existing shareholders. As of the date of this annual report, we had 70,000,000 Warrants and 29,680,000 Sponsor Warrants outstanding (totaling 99,680,000 warrants outstanding) that are exercisable for 23,333,333 and 9,893,333 series A shares, respectively. Three warrants entitle the holder thereof to purchase one series A share at a price of US$11.50 per series A share. The exercise of such warrants and the corresponding issuance of series A shares may also have a dilutive effect in our earnings per share. The warrants expire on April 4, 2023 or earlier if, after exercisability, the closing price for a series A share for any 20 trading days within an applicable 30-trading day period equals or exceeds the Mexican Peso equivalent of US$18.00 and we decide to early terminate the exercise period thereof. See "Item 8—Additional Information—Memorandum and Articles of Association—Warrants."

If all outstanding warrants were exercised, our issued and outstanding share capital would increase by 33,226,667 series A shares, or approximately 38% based on 87,878,453 series A shares outstanding as of the date of this annual report. This would result in an immediate dilution to our shareholders and ADSs holders. Exercise of the outstanding warrants may also put demand pressure on the price of our series A shares and the ADSs.

The payment and amount of dividends are subject to the determination of our shareholders.

The amount available for cash dividends, if any, will be affected by many factors, including our future operating results, financial condition and capital requirements as a result thereof, and the terms and conditions of legal and contractual restrictions. Also, the amount of cash available for dividend payments may vary significantly from estimates. There can be no assurance that we will be able to pay or maintain the payment of dividends. Our actual results may differ significantly from the assumptions made by our Board of Directors in recommending dividends to shareholders or in adopting or amending a dividend policy in the future. Also, there can be no assurance that our Board of Directors will recommend a dividend payment to our shareholders or, if recommended, that our shareholders will approve such a dividend payment. The payment of dividends and the amounts of dividend payments paid by us to our series A shares are subject to the approval of our shareholders and our having absorbed or repaid losses from prior years and also may only be paid from retained earnings approved by our shareholders and if legal reserves have been created.

Dividend distributions to holders of our series A shares will be made in Mexican Pesos.

We will make dividend distributions to holders of our series A shares in Mexican Pesos. While the Mexican government does not currently restrict the ability of Mexican or foreign persons or entities to convert Mexican Pesos into U.S. Dollars or other currencies, it could institute restrictive exchange control policies in the future. Future fluctuations in exchange rates and the effect of any exchange control measures adopted by the Mexican government on the Mexican economy cannot be predicted.

If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results or prevent fraud. As a result, shareholders could lose confidence in our financial and other public reporting, which would harm our business and the trading price of our common shares

Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to achieve and maintain effective internal controls over financial reporting, implement required new or improved controls, or difficulties encountered in their implementation could result in our failure to meet our reporting obligations, which in turn could have a material adverse effect on our business and our common shares or the ADSs. In addition, any testing by us or any subsequent testing by our independent registered public accounting firm conducted in connection with Section 404 of the Sarbanes-Oxley Act of 2002, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses or that may require prospective or retroactive changes to our financial statements or identify other areas for further attention or improvement. Matters impacting our internal

controls may cause us to be unable to report our financial information on a timely basis and thereby subject us to adverse regulatory consequences, including sanctions by the SEC. There also could be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our consolidated financial statements. Confidence in the reliability of our consolidated financial statements also could suffer if we or our independent registered public accounting firm were to report a material weakness in our internal controls over financial reporting. This could in turn limit our access to capital markets and possibly, harm our results of operations, and lead to a decline in the trading price of our common shares or the ADSs.

Pursuant to Section 404 of the Sarbanes Oxley Act of 2002, beginning with this annual report on Form 20-F for the year ended December 31, 2020, we are required to include a report of our management on our internal controls over financial reporting in our annual reports on Form 20-F that contains management's assessment of the effectiveness of our internal control over financial reporting. We are required to disclose changes made in our internal controls and procedures and our management will be required to assess the effectiveness of these internal controls over financial reporting on an annual basis. We can provide no assurance that from time to time we will not identify concerns that could require remediation. We may encounter problems or delays in completing the implementation of any changes necessary to make a favorable assessment of our internal control over financial reporting. An independent assessment of the effectiveness of our internal controls could detect problems that our management's assessment might not. Undetected material weaknesses in our internal controls could lead to financial statement restatements and require us to incur the expense of remediation. In connection with the attestation process by our independent registered public accounting firm, we may encounter problems or delays in the completing the implementation of any requested improvements and receiving a favorable attestation. In addition, if we fail to maintain the adequacy of our internal control over financial reporting we will not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404 which may have an adverse effect on us.

The requirements of being a public company may strain our resources, divert management's attention and affect our ability to attract and retain qualified board members.

We are required to comply with various regulatory and reporting requirements, including those required by the Commission and the CNBV. Complying with these reporting and regulatory requirements is time consuming, resulting in increased costs to us or other adverse consequences. As a public company, we are subject to the reporting requirements of the Exchange Act, and the requirements of the Sarbanes-Oxley Act, in addition to the existing disclosure requirements by the Mexican Securities Market Law and CNBV rules. These requirements may place a strain on our systems and resources. The Exchange Act rules applicable to us as a foreign private issuer requires that we file annual and current reports with respect to our business and financial condition. Likewise, CNBV rules require that we make annual and quarterly filings and that we comply with disclosure obligations including current reports. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal controls over financial reporting. To maintain and improve the effectiveness of our disclosure controls and procedures, we will need to commit significant resources, hire additional staff and provide additional management oversight. We will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. These activities may divert management's attention from other business concerns, which could have a material adverse effect on our business, results of operations and financial condition.

Our bylaws, in compliance with Mexican law, restrict the ability of non-Mexican shareholders to invoke the protection of their governments with respect to their rights as shareholders.

As required by Mexican law, our bylaws provide that non-Mexican shareholders are considered to be Mexican with respect to shares held by them. Moreover, non-Mexican shareholders explicitly agree not to invoke the protection of its own government by asking such government to interpose a diplomatic claim against the Mexican government with respect to the shareholder's rights as a shareholder, though such agreement is not deemed to include a waiver to any other rights (for instance, any rights under the United States securities laws, with respect to its investment in us). If you invoke such governmental protection in violation of this provision of the bylaws, your series A shares may be forfeited to the Mexican government.

As a foreign private issuer, we are permitted to, have relied, and intend to keep relying, on exemptions from certain NYSE corporate governance standards applicable to U.S. issuers, including the requirement that a majority of an issuer's directors consist of independent directors. This may afford less protection to holders of the ADSs.

The NYSE's rules require listed companies to have, among other things, a majority of their board members be independent and to have independent director oversight of executive compensation, nomination of directors and corporate governance matters. As a foreign private issuer and a controlled company, we are permitted to follow home country practice in lieu of the above requirements. Mexican law does not require that a majority of our board consist of independent directors or the implementation of a compensation or nominating committee, and our board may thus not include, or include fewer, independent directors than would be required if we were subject to the NYSE rules applicable to most U.S. companies. As long as we rely on the foreign private issuer and controlled company exemptions to the NYSE rules, a majority of our Board of Directors is not required to consist of independent directors and we will not be required to have a compensation or nominating committee. Therefore, our board's approach may be different from that of a board with a majority of independent directors, and, as a result, the management team's oversight of the Company may be more limited than if we were subject to the NYSE rules applicable to most U.S. companies.

It may be difficult to enforce civil liabilities against us or our directors or officers.

We are a publicly traded company with variable capital (*sociedad anónima bursátil de capital variable*) organized under the laws of Mexico, and a majority of the members of our Board of Directors and Management Team, our advisors and independent auditors reside or are based outside the United States. All of our assets and the assets of our subsidiaries are located, and all of our revenues and the revenues of our subsidiaries are derived from, sources outside the United States, particularly in Mexico and Argentina. Consequently, it may not be possible for you to effect service of process upon us or these other persons. Because judgments of U.S. courts or courts of other jurisdictions outside of Mexico and/or Argentina for civil liabilities based upon foreign laws of other jurisdictions outside Mexico and/or Argentina may only be enforced in Mexico and/or Argentina if certain requirements are met, you may face greater difficulties in protecting your interests through actions against us, our directors or the members our Management Team than would shareholders of a corporation incorporated in the United States or in other jurisdictions outside of Mexico. There is doubt as to the enforceability, in original actions in Mexican courts and/or Argentine courts or in actions for enforcement of judgments obtained in courts of jurisdictions outside Mexico and/or Argentina, of liabilities predicated, in whole or in part, on the civil liability provisions of U.S. federal securities laws. No treaty exists between the United States and Mexico for the reciprocal enforcement of judgments issued in the other country. In addition, the enforceability in Argentine courts of judgments of U.S. or non-Argentine courts with respect to matters arising under U.S. federal securities laws or other non-Argentine regulations will be subject to compliance with certain requirements under Argentine law, including the condition that any such judgment does not violate Argentine public policy (*orden público argentino*) and provided that an Argentine court will not order the attachment on any property located in Argentina and determined by such court to be essential for the provision of public services.

ADSs holders may not be entitled to a jury trial with respect to claims arising under the deposit agreement, which could result in less favorable outcomes to the plaintiff(s) in any such action.

The deposit agreement governing the ADSs representing our ordinary shares provides that, to the fullest extent permitted by law, holders and beneficial owners of ADSs irrevocably waive the right to a jury trial of any claim they may have against us or the depositary arising out of or relating to the ADSs or the deposit agreement. If this jury trial waiver provision is not permitted by applicable law, an action could proceed under the terms of the deposit agreement with a jury trial. If we or the depositary opposed a jury trial demand based on the waiver, the court would analyze whether the waiver was enforceable based on the facts and circumstances of that case in accordance with the applicable state and federal law. In determining whether to enforce a contractual pre-dispute jury trial waiver provision, courts will generally consider whether a party knowingly, intelligently and voluntarily waived the right to a jury trial. We believe that this is the case with respect to the deposit agreement and the ADSs. It is advisable that you consult legal counsel regarding the jury waiver provision before entering into the deposit agreement.

If you or any other holders or beneficial owners of ADSs bring a claim against us or the depositary in connection with matters arising under the deposit agreement or the ADSs, including claims under federal securities laws, you or such other holder or beneficial owner may not be entitled to a jury trial with respect to such claims, which may have the effect of limiting and discouraging lawsuits against us and / or the depositary. If a lawsuit is brought against us and/or the depositary under the deposit agreement, it may be heard only by a judge or justice of the

applicable trial court, which would be conducted according to different civil procedures and may result in different outcomes than a trial by jury would have had, including results that could be less favorable to the plaintiff(s) in any such action, depending on, among other things, the nature of the claims, the judge or justice hearing such claims, and the venue of the hearing.

No condition, stipulation or provision of the deposit agreement or ADSs serves as a waiver by any holder or beneficial owner of ADSs or by us or the depositary of compliance with any substantive provision of the U.S. federal securities laws and the rules and regulations promulgated thereunder.

Holders of our series A shares who sell or transfer series A shares acquired after January 1, 2018 and representing 10% or more of our equity may be subject to Argentine capital gains tax under Argentine tax law.

Under Argentine tax law, non-Argentine residents who sell or transfer shares or other interests in foreign entities acquired after January 1, 2018 may be subject to capital gains tax in Argentina if 30% or more of the market value of the foreign entity is derived from assets located in Argentina and the shares being sold or transferred represent 10% or more of the equity interests of such foreign entity. Therefore, any non-Argentine holder of our series A shares who sell or transfer series A shares acquired after January 1, 2018 representing 10% or more of our equity interests would be subject to the Argentine capital gains tax.

ITEM 4. INFORMATION ON THE COMPANY

HISTORY AND DEVELOPMENT OF THE COMPANY

Vista Oil & Gas, S.A.B. de C.V. is a *sociedad anónima bursátil de capital variable* organized under the laws of Mexico. We were originally incorporated in Mexico on March 22, 2017.

Our principal executive offices are located at Calle Volcán No. 150, Floor 5, Colonia Lomas de Chapultepec, Alcaldía Miguel Hidalgo, Mexico City, Zip Code 11000, Mexico. Our telephone number at this location is +52 (55) 4166-9000. Our website is http://www.vistaoilandgas.com. Information contained on, or accessible through, this website is not incorporated by reference in, and will not be considered part of, this annual report. The Securities and Exchange Commission maintains an internet site (http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the Securities and Exchange Commission.

Significant Events of 2020

COVID-19 Pandemic

The year 2020 was deeply impacted by the COVID-19 pandemic and the economic downturn generated by the lock-down measures that followed. Vista's response has been firm and decisive, especially regarding the health and safety of our employees, as well as the communities where we operate. Employees not directly involved in field operations were working from home from late March to year-end. Medical support is available 24/7 fully committed to COVID-19 prevention, oversight and training.

To ensure the continuity of our operations, we implemented a Business Continuity Plan (BCP) based on keeping minimum crew shifts operating as fully independent cells. Our cell strategy assembles people in small teams working in the field with minimal or no interaction with other cells. We coordinate weekly emergency drills to prepare employees and contractors to better manage symptoms compatible with COVID-19. Entrance controls, temperature tests, medical surveys are performed for employees and third-party contractors before they arrive at their shift to rule out any COVID-19 compatible symptoms cases. During the third quarter of 2020, we adopted a new protocol to restart drilling, completion and pulling operations.

In response to the pandemic, Vista has made several contributions to the communities where we operate. We donated critical medical equipment (four ventilators and three monitors) to Neuquén Province healthcare system. We also donated 20 intensive-care beds and other medical equipment to Catriel's public hospital, and offered a Company premise in Catriel to be used as a quarantine or isolation area. In Buenos Aires, we donated $135,000 to the #SeamosUno initiative, an action led by several NGOs with private support that delivered over 1 million boxes of food and personal hygiene products to the poor suburbs in Buenos Aires. We also donated over $10,000 to the NGO Banco de Alimentos in Neuquén and Rio Negro, resulting in 46,000 meals.

The COVID-19 pandemic significantly affected international and local oil demand: global prices plummeted and a complex scenario to evacuate production ensued, impacting oil companies' revenue streams and financial strength.

Our response to COVID-19 involved the financial, operational and contractual areas, contributing to Vista's resilience in a tough environment of declining oil price and demand. Complementing our BCP, we adopted a business strategy focused on cash preservation and strategic value protection. Our cash preservation plan included a decrease of about 30% in 2020 capital expenditure as compared to the original budget, as well as a review of more than 20 oilfield operations contracts and a thorough review of G&A expenses according to a lean mindset. We have also adopted certain measures regarding our financial positions. For more information, see "Item 5B—Liquidity and Capital Resources—Indebtedness".

Regarding our strategic value preservation plan, we quickly found solutions to the complex commercial context of 2020: we were first movers in Argentina in securing floating storage to avoid oil sales at low prices in the second quarter of 2020; we shut-in our Vaca Muerta wells for two months, as shale reservoirs provide a highly efficient short-term storage solution; and increased exports to approximately 2.8 million barrels of oil among the recovery of the international oil demand, becoming Argentina's top exporter of light oil in 2020.

The review of the aforementioned contracts led to leaner company with a re-based operating cost structure. Moreover, in Vaca Muerta we worked on a re-design of our wells and upgraded our type curve to EUR 1.52 MMboe in view of the results of our existing pads. These achievements led to an estimated development cost of approximately US$8/boe for new wells, down by about 30% with respect to the previous well design, and a Company that is more resilient to a lower oil price environment. On this basis, during the third quarter of 2020 we restarted our growth plan through drilling and completion activity in Bajada del Palo Oeste.

In addition, as of December 31, 2020, Vista performed an impairment test that resulted in a US$14.4 million impairment loss, mainly driven by prices of crude oil, natural gas and NGL and an increase in the discount rate.

Vaca Muerta Development

During the third quarter of 2020 we restarted drilling and completion activities in Bajada del Palo Oeste. This led to the tie-in of two 4-well pads (pads #4 and #5) before year-end, driving our production from Vaca Muerta to 14.6 Mboe/d for the fourth quarter of 2020 and our total production for the fourth quarter of 2020 to 30.6 Mboe/d (2.1% above Q4 2019 production). We landed four of these wells in La Cocina landing zone and two wells in the Orgánico landing zone.

Additionally, two wells from pad #4 were landed in the Lower Carbonate. Wells MDM-2025h and MDM-2027h were the first 2 wells of the Company in the Lower Carbonate landing zone of Vaca Muerta, consisting of 2,186 meters of lateral length with 26 completion stages, and 2,551 meters of lateral length with 31 completion stages, respectively. The Lower Carbonate is the third Vaca Muerta landing zone drilled by Vista in Bajada del Palo Oeste, as the previous 12 wells, in pads #1 to #3, had been landed in La Cocina and Orgánico. The results of these two wells confirm the potential of the Lower Carbonate landing zone of Vaca Muerta in Bajada del Palo Oeste as an economical shale oil play. The petrophysical analysis in Bajada del Palo Oeste shows that the Lower Carbonate has an average total organic content of 5.2%, an average total porosity of 12.7% and an average water saturation of 26%, which are similar characteristics to those of the Orgánico landing zone. According to our geological model, this could add up to 150 new wells to our existing drilling inventory of 400 wells in Bajada del Palo Oeste, for a total of up to 550 wells.

During the drilling and completion activities, we managed to improve our drilling efficiency by increasing our drilling speed by 108% to an average 993 feet per day in pad #6 (tied-in in 2021), from an average of 477 feet per day with respect to our first pad. Additionally, in pad #6 we improved the drilling cost per lateral foot to 472 $/foot, a 37% improvement compared to 753 $/foot in the first pad. Furthermore, we also improved our completion cost by reducing our average cost per frac stages by 45% to US$120 thousands from US$220 thousands with respect to our first pad. As a result, the average drilling and completion cost per well (normalized to a lateral length of 2,800 meters and 47 frac stages) decreased from US$17.4 million in pad #1 to US$9.9 million in pad #6, resulting in savings of 43%. The performance and cost improvements were driven by the operating performance of our One Team, an improved well design with 2,800-meter laterals and 47 completion stages, and the cost reductions obtained through contract renegotiations entered into during 2020 with key suppliers. The new well design and the production performance of our wells currently in production enabled us to update our type curve to 1.52 MMboe for a well of 2,800 meter lateral length and 47 completion stages, which, combined with the drilling and completion savings, allowed us to reduce our expected development cost to approximately 8 $/boe. Therefore, we turned Vista into a company that is even more resilient to low oil price environments.

Recent Developments

Tie in of pads #6 and #7

In January 2021, we completed and tied-in our 4-well pad #6 in Bajada del Palo Oeste. We completed this pad with a total of 223 stages, resulting in a cost per stage of US$120 thousand, compared to US$220 thousand in our pad #1. The total normalized (to a 2,800-meter and 47 frac stages well) cost per well in pad #6 totaled US$9.9 million, resulting in savings of 43% compared to US$17.4 million in pad #1.

In March 2021, we completed and tied-in our 4-well pad #7 in Bajada del Palo Oeste, landing two wells in Organico and two wells in La Cocina. We completed this pad with a total of 181 stages, resulting in a cost per stage of US$111 thousand, compared to US$220 thousand in our pad #1. The total normalized (to a 2,800-meter and 47 frac stages well) cost per well in pad #7 totaled US$9.5 million, resulting in savings of 45% compared to US$17.4 million in pad #1.

Sur Rio Deseado Este (SRDE) concession

The 25-year term of the Sur Río Deseado Este concession expired on March 21, 2021, and Vista Argentina decided not to join the 10-year extension request filed by Alianza Petrolera to the enforcement authority, in its capacity as co-owner and operator of the concession. As of the date of this annual report, Vista Argentina expects that the enforcement authority will confirm that from March 21, 2021 onwards all of the rights, obligations, and responsibilities related to the Sur Río Deseado Este concession solely and exclusively correspond to Alianza Petrolera Argentina S.A., keeping Vista Argentina, and the other joint concessionaires, still liable for any of its obligations arising from a cause prior to March 21, 2021.

BUSINESS OVERVIEW

We are an independent Latin American oil and gas company operating since April 4, 2018. Our main assets are located in Vaca Muerta, the largest shale oil and gas play under development outside North America, were we own approximately 134,000 acres. We also own conventional producing assets in Argentina and Mexico. Most of our production and revenues, our ongoing drilling and workover activities, estimated proved reserves and assets are located in Argentina, including our currently producing Vaca Muerta wells.

We seek to generate strong returns for our shareholders based on the following key value drivers.

Solid returns in Vaca Muerta. Our growth plan is based on developing our approximately 550 well inventory in Bajada del Palo Oeste, our flagship development in Vaca Muerta, with the highest efficiency and safety standards. As of December 31, 2020, we had tied-in five 4-well pads in Bajada del Palo Oeste, boosting our shale production to 16.8 Mboe/d in that month.

We achieved solid operating metrics in our drilling and completion activities. Our drilling speed in pad #6 was 993 feet per day, a 108% improvement with respect to pad #1. Additionally, we improved our completion cost by 45% to 120 thousand per stage in pad #6 from US$220 thousand per stage in pad #1. As a result, the drilling and completion cost per well decreased to US$9.9 million per well in pad #6 from US$17.4 million per well in pad #1, in both cases normalized to a 2,800-meter lateral length and 47 completion stages well.

We believe the productivity of our new wells demonstrates the quality of our Vaca Muerta acreage. As of December 31, 2020, the Vista average well (representing the average of our pads #1 to #4) was performing 25% above our type curve after 128 days of production. This productivity performance, added to our performance in terms of drilling and completion cost, and a new well design based on 2,800-meter lateral length and 47 completion stages, enable us to reduce our expected development cost to US$8 /boe, from US$12/boe with our previous well design.

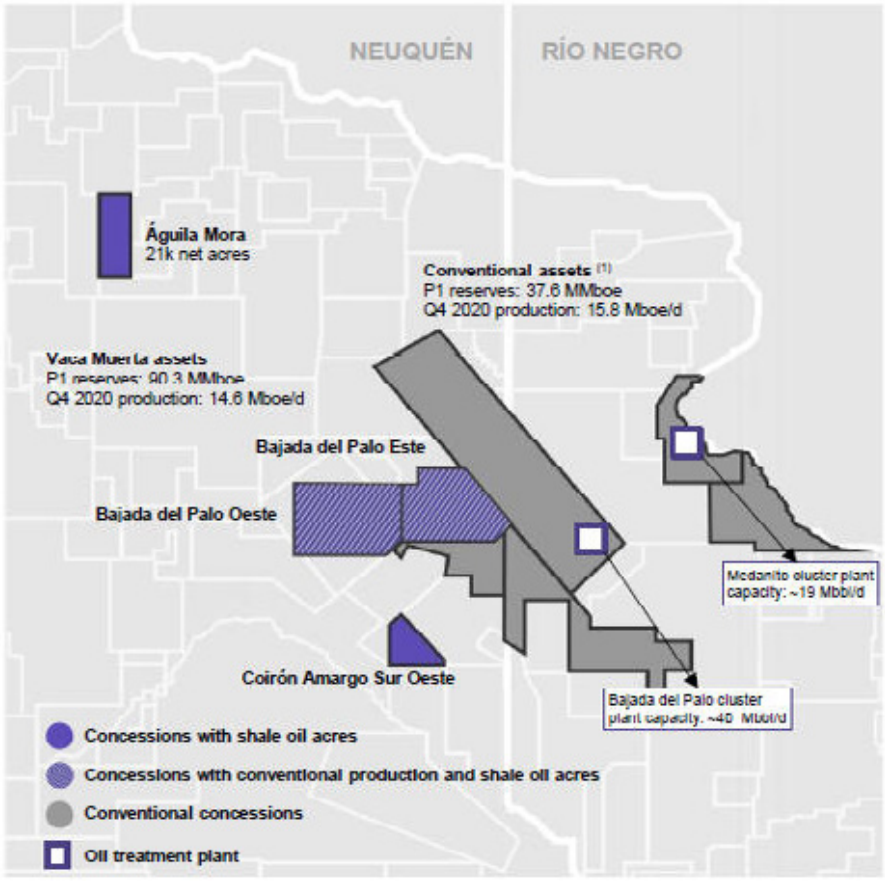
Operational cluster with synergies. Our conventional assets are in the same operational cluster as our Bajada del Palo Oeste assets, generating operating synergies related to utilization of operating crews and contracts. Finally, this cluster currently has enough treatment capacity to process up to 40 Mbbl/d of crude oil.

A high-performing team. We have a flat and agile team, led by a management team with significant experience in oil and gas operations. Our operating team is composed by oil and gas professionals with significant experience in Vaca Muerta, and we believe that their technical knowledge of the play is key to our performance.

As of the date of this annual report, our portfolio of assets includes working interests in 15 hydrocarbons concessions, 12 of which are located in Argentina and 3 in Mexico. We operate eleven of those concessions, which represent 98% of our net production. In Argentina, we hold approximately 520,000 net acres, of which we operate 99%.

As of December 31, 2020, our total proved reserves were 128.1 MMboe, 70% of which are located in shale reservoirs, 78% of which consist of oil and approximately 100% of which are located in Argentina.

The following map illustrates the location of our concessions in Argentina, except for the non-operated concession, Acambuco, as of the date of this annual report:



(1) Includes information from Acambuco concession, not shown on this map

Our Operations

During the fourth quarter of 2020, we were the third largest shale oil producer of Argentina with 20 wells on production, according to the Argentine Secretariat of Energy. Our average daily production was 26,594 boe/d in the year ended December 31, 2020. As of the date of this annual report, our portfolio of assets includes working interests in 15 hydrocarbons concessions, 12 of which are located in Argentina and 3 in Mexico. We operate eleven of those concessions, which represent 98% of our net production. In Argentina, we hold approximately 520,000 net acres, of which we operate 99%. As of December 31, 2020, our total proved reserves were 128.1 MMboe, 70% of which are located in shale reservoirs, of which 78% consist of oil and 100% of which are located in Argentina.

The following table presents information on our concessions, estimated reserves and production for the periods indicated:

Block	Gross acres	Net acres	Interest	Operator	Net proved reserves as of Dec. 31, 2020 (MMboe)	Average net production for the year ended Dec. 31, 2020 (Mboe/d)	Concession Expiration
Neuquina basin							
Bajada del Palo Oeste	62,641	62,641	100%	Vista	98.9	12.1	2053
Entre Lomas Río Negro	83,349	83,349	100%	Vista	9.6	4.7	2026
JDM	48,359	48,359	100%	Vista	4.7	3.4	2025
25 de Mayo-Medanito	32,247	32,247	100%	Vista	5.5	2.7	2026
Entre Lomas Neuquén	99,665	99,665	100%	Vista	2.8	1.3	2026
Bajada del Palo Este	48,853	48,853	100%	Vista	2.2	1.0	2053
Coirón Amargo Norte	26,598	22,508	84.6%	Vista	1.0	0.3	2037
Jarilla Quemada(1)	47,617	47,617	100%	Vista	1.2	0.5	2040
Coirón Amargo Sur Oeste	16,440	1,644	10%	Shell	1.5	0.1	2053
Águila Mora	23,475	21,128	90%	Vista	—	0.0	2054
Charco del Palenque(1)	47,963	47,963	100%	Vista	—	—	2034
Golfo San Jorge basin							
Sur Río Deseado Este(2)	75,604	12,807	16.9%	Alianza Petrolera	—	—	2021
Noroeste basin							
Acambuco	293,747	4,406	1.5%	Pan American Energy	0.4	0.2	2036/2040
Mexico							
CS-01	23,517	11,758	50%	Vista	0.2	0.1	2047
A-10	85,829	42,915	50%	Jaguar	0.1	0.2	2047
TM-01	17,889	8,944	50%	Jaguar	—	0.0	2047

(1) Jarilla Quemada consolidates the Agua Amarga production information (Jarilla Quemada plus Charco del Palenque production).

(2) The 25-year term of the SRDE exploitation concession expired on March 21, 2021, and Vista decided not to request the 10-year extension filed by Alianza Petrolera to the enforcement authority, in its capacity as co-owner and operator of the concession. As of the date of this annual report, Vista is expecting the enforcement authority to issue an administrative act which confirms that from March 21, 2021 onwards all the rights, obligations, and responsibilities related to the SRDE exploitation concession solely and exclusively correspond to Alianza Petrolera Argentina SA, keeping Vista, and the other joint concessionaires any responsibility or obligation that may arise from a cause originated prior to March 21, 2021.

Main Operating Subsidiaries

Vista Argentina

Vista Argentina (formerly PELSA, our predecessor company) is an Argentine company with offices in Buenos Aires and Neuquén and a field office with technical staff located on the Entre Lomas concession dedicated to the E&P of hydrocarbons and the commercialization of oil, natural gas and NGL. In the Neuquina basin, it currently operates and holds a (i) 100.00% interest in the following exploitation concessions: Entre Lomas Neuquén, Entre Lomas Río Negro, Bajada del Palo Oeste, Bajada del Palo Este, Charco del Palenque, Jarilla Quemada, 25 de Mayo-Medanito and JDM, (ii) 84.62% operated interest in the exploitation concession Coirón Amargo Norte located in the Province of Neuquén, (iii) 1.50% non-operating interest in the exploitation concession Acambuco, located in the Province of Salta, operated by Pan American Energy LLC (Argentine Branch), (iv) 90% operated interest in the unconventional exploitation concession Águila Mora located in the Province of Neuquén, and (v) 10% non-operating interest in the Coirón Amargo Sur Oeste unconventional exploitation concession (operated by Shell). As of December 31, 2020, Vista Argentina had 286 direct employees and approximately 2,240 outsourced staff available to provide services in our operations, of which approximately 420 are required for Vista Argentina's daily operations.

On July 2, 2019, we completed a corporate reorganization process whereby APCO Oil & Gas S.A.U. and APCO Argentina were merged by absorption without liquidation into Vista Argentina as part of a tax-free reorganization pursuant to Argentine Income Tax Law. The Argentine Reorganization came into effect on January 1, 2019 and since that date APCO Oil & Gas S.A.U. and APCO Argentina have effectively been operating as a consolidated entity under Vista Argentina.

APCO Oil & Gas S.A.U.

APCO Oil & Gas S.A.U. ceased to exist on July 2, 2019, date on which it was merged by absorption without liquidation into Vista Argentina as a result of the Argentine Reorganization.

Vista Holding I

Vista Holding I is a Mexican company with administrative offices in Mexico City incorporated for purposes of, among other things, participate as a partner, shareholder or investor in all kinds of businesses or entities, whether commercial or civil, associations, trusts, or of any other nature, whether Mexican or foreign, from their inception or by acquiring shares, equity interests or other kind of interests, regardless of the name they are given, in all kind of corporations, as well as carrying-out any activities in the energy sector. It currently holds a 100% interest in Vista Argentina and a 100% indirect interest in Aleph Midstream.

Vista Holding II

Vista Holding II is a Mexican company with administrative offices in Mexico City incorporated for purposes of the exploration and extraction of hydrocarbons in Mexico, as well as to participate as a partner, shareholder or investor in all kinds of businesses or entities, whether commercial or civil, associations, trusts, or of any other nature, whether Mexican or foreign, from their inception or by acquiring shares, equity interests or other kind of interests, regardless of the name they are given, in all kind of corporations, as well as carrying-out any activities in the energy sector. It is the holder of 50% working interests in the CS-01, TM-01 and A-10 license contracts. As of December 31, 2020, Vista Holding II had 1 employee.

Aleph Midstream

Aleph Midstream is a company that started operating in August 2019 and became the first midstream player focused on providing gathering, processing and evacuation services for oil and gas production in the Neuquina basin,

spearheading a new paradigm for the development of the Vaca Muerta shale play built on the concept of long-term partnerships with upstream-focused producers. As of December 31, 2020, Aleph Midstream had 81 direct employees

On March 31, 2020, Vista completed the acquisition from affiliates of Riverstone, Southern Cross Group and certain individual co-sponsors (the "Financial Sponsors") of all of the issued and outstanding equity interests of each of the Financial Sponsors in Aleph Midstream, at an aggregate purchase price of US$37.5 million (equivalent to the entire equity effectively contributed to Aleph Midstream by the Financial Sponsors). As a result of such transactions, Aleph Midstream is a wholly owned subsidiary of Vista.

Aluvional Logística S.A.

Aluvional Logística S.A. is a company organized and existing under the laws of Argentina dedicated to the extraction of sand, stone, pebbles, granitic and/or calcareous materials and other natural resources that are used for the hydraulic stimulation of unconventional oil and gas exploitation in the provinces of Neuquén, Río Negro, Mendoza and La Pampa. As of the date of this annual report, Aluvional Logística S.A. holds 10-year term concessions of 15 quarries of siliceous sand, all of them located in the Province of Río Negro.

Argentina

Overview

During the years ended December 31, 2019 and 2020 our production was concentrated in the Neuquina basin in the following assets: Entre Lomas Neuquén, Entre Lomas Río Negro, Bajada del Palo Oeste, JDM, 25 de Mayo-Medanito, Bajada del Palo Este, Charco del Palenque, Jarilla Quemada and Coirón Amargo Norte. We also have some assets in the Noroeste basin which, together with the Neuquina basin assets, amount to approximately 520,000 net acres. As of December 31, 2020, we owned 1,008 productive wells and over 200 injector wells in Argentina.

We have approximately 134,000 net acres located in the Vaca Muerta shale oil formation in Bajada del Palo Oeste, Bajada del Palo Este, Águila Mora and Coirón Amargo Sur Oeste. We operate three of these concessions, representing 99% of our shale net acreage. In addition, the Bajada del Palo Oeste concession, where we tied-in all of our new 20 operated shale oil wells targeting the Vaca Muerta formation (as of December 31, 2020), and which took our shale production from zero to more than 20.2 Mboe/d by the end of December 2020, boosted by strong individual well performance, is adjacent to our existing transportation and treatment facilities, which have sufficient spare capacity to process and deliver our initial shale production to the market, thus supporting our production ramp-up and cash flow generation targets. Given that most of our operated shale acreage is clustered together, we will be able to take advantage of the synergies generated by shared surface facilities, drilling rigs, completion service contracts and operations and maintenance service contracts to lower the development and operating costs of our shale production.

We have a significant inventory of up to approximately 550 drilling locations targeting the Vaca Muerta shale oil formation within our core development acreage, which provide us with approximately 25 years of drilling inventory. Our drilling inventory is currently located in the Bajada del Palo Oeste block and provides attractive production growth and high return opportunities. We intend to expand our drilling inventory by testing additional landing zones, such as the Upper and Mid and further delineating our acreage in the Bajada del Palo Este and Águila Mora blocks.

As of December 31, 2020, our total proved reserves in Argentina were 127.9 MMboe, of which 78% consisted of oil reserves. Our average daily production for the year ended December 31, 2020 was 26,269 boe/d, of which 69% was crude oil, 29% natural gas and the remaining 2% was NGL. We have reduced our average operating cost from US$10.8 per boe during the year ended December 31, 2019 (information corresponding to all assets acquired in the Initial Business Combination) to US$9.0 per boe for the year ended December 31, 2020 by rebasing our cost structure, and by absorbing shale production growth with the existing cost base.

Crude Oil Production and Natural Gas Production in Argentina

We operate most of our blocks. Almost 100% of oil production is Medanito light crude oil, which has a gravity higher than 30º API density.

Block	Average net oil production for the year ended December 31, 2020 (Mbbl/d)[2]	Average net gas production for the year ended December 31, 2020 (MMcf/d)[2]	Average net NGL production for the year ended December 31, 2020 (Mbbl/d)[2]
Neuquina basin			
Bajada del Palo Oeste	8.3	0.59	—
Entre Lomas Río Negro	2.6	0.23	0.4
JDM	2.6	0.13	—
25 de Mayo-Medanito	2.6	0.02	—
Entre Lomas Neuquén	1.0	0.04	0.1
Bajada del Palo Este	0.4	0.08	0.0
Coirón Amargo Norte	0.3	0.01	—
Jarilla Quemada[1]	0.2	0.04	0.0
Coirón Amargo Sur Oeste	0.1	0.00	—
Águila Mora	0.0	.	—
Charco del Palenque[1]	—	—	—
Golfo San Jorge basin			
Sur Río Deseado Este	.	—	—
Noroeste basin			
Acambuco	0.0	0.02	—

(1) Jarilla Quemada consolidates the Agua Amarga production information (Jarilla Quemada plus Charco del Palenque production).

(2) Oil production is comprised of production of crude oil, condensate and natural gasoline. Natural gas production excludes natural gas consumption. NGL production is comprised of production of propane and butane (LPG) and excludes natural gasoline.

Block	Average net oil production for the year ended December 31, 2019 (Mbbl/d)[2]	Average net gas production for the year ended December 31, 2019 (MMcf/d)[2]	Average net NGL production for the year ended December 31, 2019 (Mbbl/d)[2]
Neuquina basin			
Bajada del Palo Oeste	5.5	24.1	—
Entre Lomas Río Negro	3.3	2.2	—
JDM	3.3	5.9	—
25 de Mayo-Medanito	3.3	1.1	—
Entre Lomas Neuquén	1.3	0.9	0.6
Bajada del Palo Este	0.6	4.2	0.1
Coirón Amargo Norte	0.2	0.2	—
Jarilla Quemada[1]	0.3	1.9	0.0
Coirón Amargo Sur Oeste	0.2	0.1	—
Águila Mora	0.0	0.0	—
Charco del Palenque[1]	—	—	—
Golfo San Jorge basin			
Sur Río Deseado Este	—	—	—
Noroeste basin			
Acambuco	0.0	0.9	—

(1) Jarilla Quemada consolidates the Agua Amarga production information (Jarilla Quemada plus Charco del Palenque production).

(2) Oil production is comprised of production of crude oil, condensate and natural gasoline. Natural gas production excludes natural gas consumption. NGL production is comprised of production of propane and butane (LPG) and excludes natural gasoline. Our production of natural gasoline is mixed and sold with our crude oil and condensate production and represents less than 0.05% of our average daily production.

Block	Average net oil production for the nine-month period ended December 31, 2018 (Mbbl/d)[3]	Average net gas production for the nine-month period ended December 31, 2018 (MMcf/d)[3]	Average net NGL production for the nine-month period ended December 31, 2018 (Mbbl/d)[3]
Neuquina basin			
Bajada del Palo Oeste[1]	1.2	20.1	0.1
Entre Lomas Río Negro	3.8	12.9	0.6
JDM	3.1	5.8	0
25 de Mayo-Medanito	3.7	1.8	0
Entre Lomas Neuquén	1.2	1.8	0.1
Bajada del Palo Este[1]	0.6	4.4	0.0
Coirón Amargo Norte	0.3	0.2	0
Jarilla Quemada[2]	0.4	2.6	0.0
Coirón Amargo Sur Oeste	0.2	0.1	0
Águila Mora	0	.	0
Charco del Palenque[2]	—	—	—
Golfo San Jorge basin			
Sur Río Deseado Este	0	0	0
Noroeste basin			
Acambuco	0.0	1.1	0

(1) Based on the proved developed reserves for Bajada del Palo Oeste and Bajada del Palo Este concessions to the working interest of Vista as of December 31, 2018 (which constituted a single block prior to December 21, 2018), we estimate that from Bajada del Palo's total production during the nine-month period ended December 31, 2018, 66% of total oil volumes, and 82% of total natural gas volumes correspond to the Bajada del Palo Oeste concession.

(2) Jarilla Quemada consolidates the Agua Amarga production information (Jarilla Quemada plus Charco del Palenque production).

(3) Oil production is comprised of production of crude oil, condensate and natural gasoline. Natural gas production excludes natural gas consumption. NGL production is comprised of production of propane and butane (LPG) and excludes natural gasoline.

The information included in the table below corresponds to all assets acquired by us in the Initial Business Combination. Our average daily production was 24,470 boe/d for the year ended December 31, 2018.

Block	Average net oil production for the three-month period ended March 31, 2018 (Mbbl/d)	Average net gas production for the three-month period ended March 31, 2018 (MMcf/d)	Average net NGL production for the three-month period ended March 31, 2018 (Mbbl/d)
Neuquina basin			
Bajada del Palo Oeste	1.3	20.0	0.1
Entre Lomas Río Negro	4.0	11.0	0.6
JDM	3.0	6.1	0
25 de Mayo-Medanito	3.6	2.2	0
Entre Lomas Neuquén	1.2	1.7	0.1
Bajada del Palo Este	0.7	4.4	0.0
Coirón Amargo Norte	0.3	0.4	0
Jarilla Quemada(1)	0.5	3.1	0.0
Coirón Amargo Sur Oeste	0.1	0.1	0
Águila Mora	0	0	0
Charco del Palenque(1)	—	—	—
Golfo San Jorge basin			
Sur Río Deseado Este	0	0	0
Noroeste basin			
Acambuco	0.0	1.2	0

(1) Jarilla Quemada consolidates the Agua Amarga production information (Jarilla Quemada plus Charco del Palenque productions).

Concessions

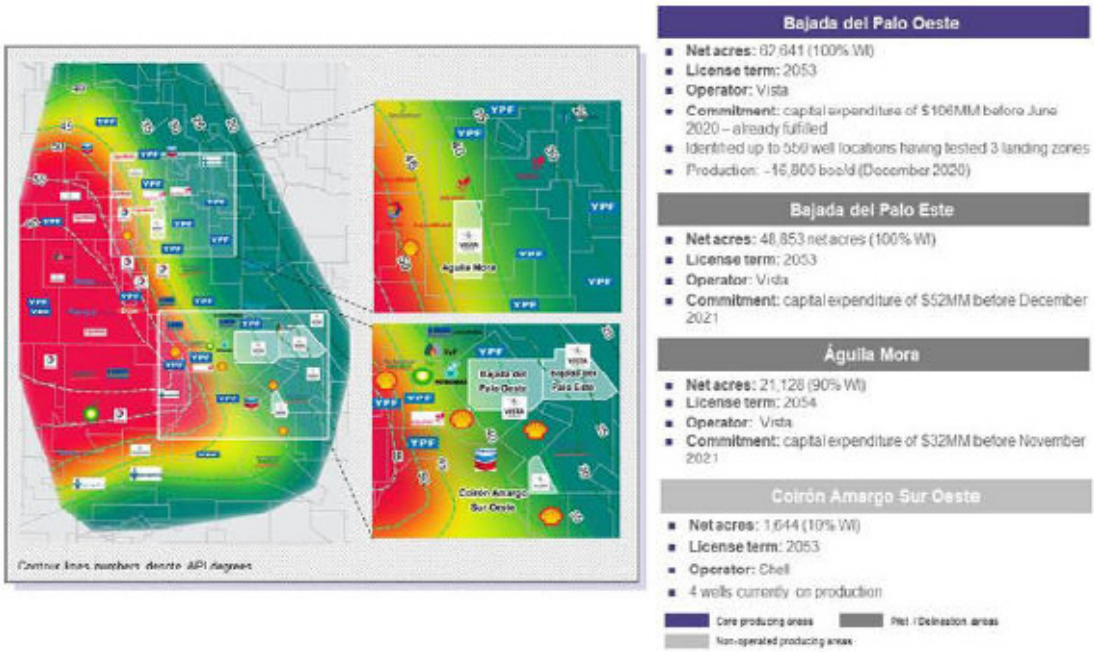
We have participation interests in the following oil and gas concessions in Argentina:

Neuquina basin: (a) a 100% operating interest in the exploitation concessions 25 de Mayo-Medanito and Jagüel de los Machos, Entre Lomas Neuquén and Entre Lomas Río Negro, which we refer to collectively as "Entre Lomas," Bajada del Palo Oeste, Bajada del Palo Este, and Jarilla Quemada and Charco del Palenque, which we refer to collectively as "Agua Amarga" (in all cases, as operator); (b) a 84.62% operating interest in the exploitation concession Coirón Amargo Norte (as operator); (c) a 90% operating working interest in the unconventional exploration concession Águila Mora and (d) a 10% non-operating interest in the CASO block (operated by Shell); and

Noroeste basin: a 1.5% non-operating interest in the exploitation concessions Acambuco (operated by Pan American Energy).

The map below shows the location of our shale blocks in Argentina in which we have working interests as of December 31, 2020:

Neuquina Basin Shale Concessions



Our Argentine concession agreements have no change of control provisions, though any assignment of these concessions is subject to the prior authorization by the executive branch of the province where the concession is located. For the four years prior to the expiration of each of these concessions, the concession holder must provide technical and commercial justifications for leaving any inactive and non-producing wells unplugged. Each of these concessions can be terminated for default in payment obligations and/or breach of material statutory or regulatory obligations. We may also voluntarily relinquish acreage to the Argentine authorities.

Entre Lomas Neuquén and Entre Lomas Río Negro ("Entre Lomas")

We are the operator and holder of a 100% interest in the exploitation concessions Entre Lomas Neuquén and Entre Lomas Río Negro, which we refer to collectively as "Entre Lomas," in the Neuquina basin located in the provinces of Neuquén and Río Negro, respectively. The Entre Lomas concessions are located about 950 miles southwest of the city of Buenos Aires on the eastern slopes of the Andes Mountains. They straddle the provinces of Río Negro and Neuquén approximately 60 miles north of the city of Neuquén. The Entre Lomas Neuquén concession covers a surface area of approximately 99,665 gross acres and the Entre Lomas Río Negro concession covers an area of 83,349 gross acres, both of which produce oil and gas from several formations. The Entre Lomas Neuquén and Entre Lomas Río Negro blocks have proved reserves of 2.8 MMboe and 9.6 MMboe, respectively, as of December 31, 2020 and production of 1.3 Mboe/d (76% oil) and 4.7 Mboe/d (57% oil), respectively, in the year ended December 31, 2020. The Entre Lomas Neuquén and Entre Lomas Río Negro concessions expire in 2026.

As of December 31, 2020, the Company had committed to drill 8 development and 1 step-out wells to the Province of Rio Negro, for an estimated cost of US$19.8 million, make capital investments in 15 well workovers and abandon 3 wells for an estimated cost of US$7.6 million in our concessions, through 2023.

The productive units are the continental fluvial and aeolian sandstones of the Tordillo, Punta Rosada formations and the carbonatic facies of Quintuco formation. The remaining primary development consists of the drilling of wells located in the fields' edges and in small, isolated traps related to areas with echelon fault systems. In addition, there are ongoing secondary recovery projects, such as water conformance and infill drilling, in which we see significant upside potential based on the low current recovery factors.

Bajada del Palo Oeste

We are the operator and holder of 100% of the unconventional exploitation concession granted for the Bajada del Palo Oeste block in the Neuquina basin located in the Province of Neuquén. This block has proved reserves of 88.8 MMboe of shale reserves and 10.1 MMboe of conventional reserves as of December 31, 2020 and production of 12.1 Mboe/d (69% oil) for the year ended December 31, 2020. The 35-year term unconventional exploitation concession was granted to us in December 2019 and expires in December 2053. In connection with the granting of such unconventional concession, as of December 31, 2020, Vista has already fulfilled the commitment of drilling 8 horizontal wells for a total investment of US$105.6 and related facilities for US$14.7 million by June 2020.

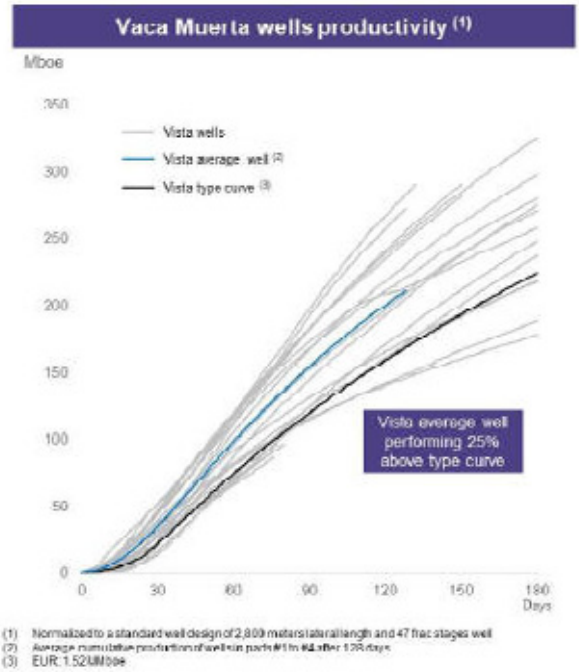
During 2020, we completed and tied-in 12 new wells (three 4-well pads – pads #3, #4 and #5), reaching a total shale oil well count of 20 wells, which took our Bajada del Palo Oeste shale production to more than 20.0 Mboe/d by the end of the year, and had an average daily production of 8.4 Mboe/d in the year ended December 31, 2020. In addition, we completed and tied-in pads #6 and #7 during the first quarter of 2021. We employ a strict drawdown management policy to preserve frac integrity and stable bottom-hole pressure. In each of pads #3, #5, #6 and #7, two wells were landed in La Cocina while the other two were landed in Organic. In addition, in pad #4 we landed two wells in La Cocina and the other two in Lower Carbonate, a landing zone that we had previously not tested. Results from these two wells confirmed the Lower Carbonate as an economic landing zone in Bajada del Palo Oeste, increasing our well inventory to up to approximately 550 locations.

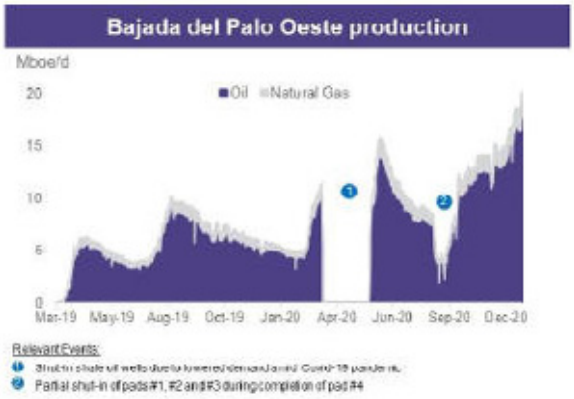
During the drilling and completion activities, we managed to improve our drilling efficiency by increasing our drilling speed by 108% to an average 993 feet per day in pad #6, from an average of 477 feet per day with respect to our first pad. Additionally, in pad #6 we improved the drilling cost per lateral foot to 472 $/foot, a 37% improvement compared to 753 $/foot in the first pad. Furthermore, we also improved our completion cost by reducing our average cost per frac stages by 45% to US$120 thousands from US$220 thousands with respect to our first pad. As a result, the average drilling and completion cost per well (normalized to a lateral length of 2,800 meters and 47 frac stages) decreased from US$17.4 million in pad #1 to US$9.9 million in pad #6, resulting in savings of 43%. The performance and cost improvements were driven by the operating performance of our One Team, an improved well design of 2,800-meter lateral length and 47 completion stages, and the cost reductions obtained through contract renegotiations entered into during 2020 with key suppliers. The new well design and the production performance of our wells currently in production enabled us to update our type curve to 1.52 MMboe for a well of 2,800 meter lateral length and 47 completion stages, which, combined with the drilling and completion savings, allowed us to reduce our expected development cost to approximately 8 $/boe.

The table below details the drilling and completion design of all our wells that have been tied-in as of the days of this annual report:

Well name	Pad number	Landing zone	Lateral length (mts)	Total frac stages
2013	#1	Organic	2,483	33
2014	#1	La Cocina	2,633	35
2015	#1	Organic	2,558	34
2016	#1	La Cocina	2,483	34
2029	#2	Organic	2,189	37
2030	#2	La Cocina	2,248	38
2032	#2	Organic	2,047	35
2033	#2	La Cocina	1,984	33
2061	#3	La Cocina	2,723	46
2062	#3	Organic	2,624	44
2063	#3	La Cocina	3,025	51
2064	#3	Organic	1,427	36
2025	#4	Lower Carbonate	2,186	26

Well name	Pad number	Landing zone	Lateral length (mts)	Total frac stages
2013	#1	Organic	2,483	33
2014	#1	La Cocina	2,633	35
2015	#1	Organic	2,558	34
2016	#1	La Cocina	2,483	34
2029	#2	Organic	2,189	37
2030	#2	La Cocina	2,248	38
2032	#2	Organic	2,047	35
2033	#2	La Cocina	1,984	33
2061	#3	La Cocina	2,723	46
2062	#3	Organic	2,624	44
2063	#3	La Cocina	3,025	51
2064	#3	Organic	1,427	36
2025	#4	Lower Carbonate	2,186	26
2026	#4	La Cocina	2,177	44
2027	#4	Lower Carbonate	2,551	31
2028	#4	La Cocina	2,554	51
2501	#5	La Cocina	2,538	52
2502	#5	Organic	2,436	50
2503	#5	La Cocina	2,468	50
2504	#5	Organic	2,332	44
2391	#6	La Cocina	2,715	56
2392	#6	Organic	2,804	54
2393	#6	La Cocina	2,732	56
2394	#6	Organic	2,739	57
2261	#7	La Cocina	2,710	46
2262	#7	Organic	2,581	45
2263	#7	La Cocina	2,609	45
2264	#7	Organic	2,604	46

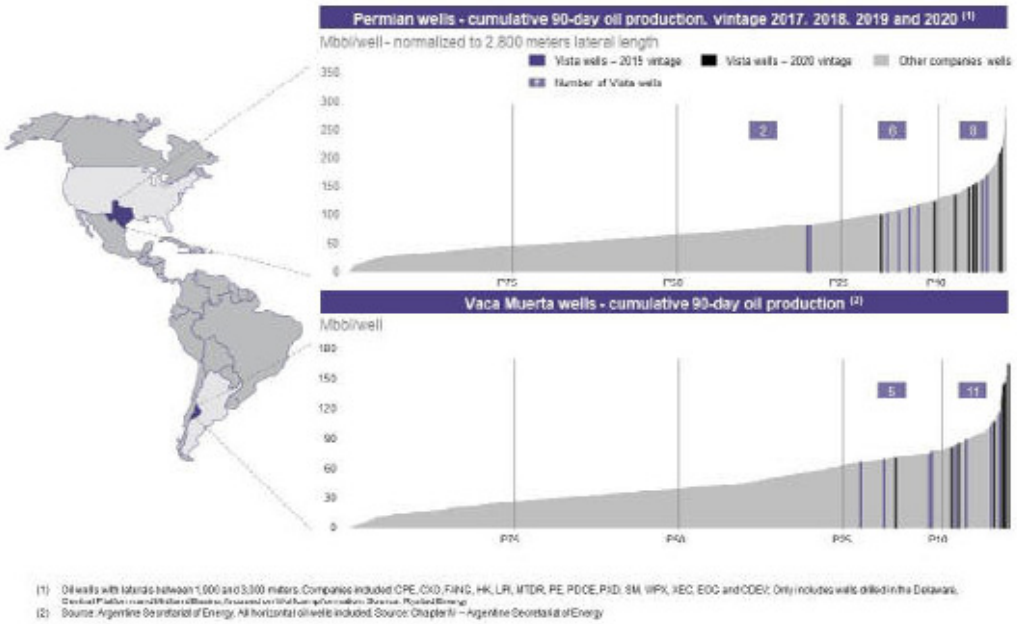




The estimated type curve for Bajada del Palo Oeste is based on real production data from our wells in Bajada del Palo Oeste and data gathered from public sources of horizontal wells in La Amarga Chica, Bandurria Sur, Loma Campana, Sierras Blancas and Cruz de Lorena concessions, corroborated by numerical simulation. Each well was declined following common industry methods, to arrive to individual estimates on ultimate recovery. Subsequently, P10-P50-P90 type wells were estimated based on the distribution of ultimate recoveries. To check consistency, we applied a numerical simulation workflow. Effective porosity and water saturation were estimated by petrophysical interpretation of open hole logs from pilot and legacy wells in Bajada del Palo Oeste. Vertical heterogeneity of the rock has an effect on hydraulic fracture growth, so a detailed interpretation of borehole image logs coupled with a

comprehensive description of available cores in Vaca Muerta formation were used as a heterogeneity input in a hydraulic fracture simulator. This workflow gathers geomechanical properties and vertical heterogeneities of the rock and simulates fracture geometry for a given fracture design. The results are used as input for numerical reservoir simulation, where the fracture geometry is combined with the storage and flow capacity of the rock, and fluid properties of the hydrocarbons. The output of the numerical simulation was then compared with the P50 curve from the real production data distribution for consistency of the results.

The 90-day performance of our first 16 wells compares favorably against the oil lateral Permian wells (between 1,900 and 3,000 meters of lateral length) tied-in between 2016 and 2020 (normalized to 2,800 meters lateral length) and all the oil lateral wells drilled in Vaca Muerta ever as shown in the charts below:



(1) Oil wells with laterals between 1,000 and 3,300 meters. Companies included CPE, CXO, FANG, HK, LR, MTDR, PE, PDCE, PXD, SM, WPX, XEC, EOG and CDEV. Only includes wells drilled in the Delaware, Central Platform and Midland Basins. Source: Pioneer Energy

(2) Source: Argentine Secretariat of Energy. All horizontal oil wells included. Source: Chapter IV – Argentine Secretariat of Energy

The implementation of the One Team Contracts model, which aligns key contractors and Vista behind the same goals, by sharing performance and compensation metrics, in conjunction with best practices in terms of logistics, enabled us to achieve outstanding completion results when compared to the basin. We believe that this contracting model is one of the key drivers of our results in terms of cost efficiency and new well productivity.

Bajada del Palo Oeste has 62,641 gross acres with exposure to core shale oil Vaca Muerta acreage.

Our current approximately 25 years drilling inventory targeting the Vaca Muerta shale oil formation amounts to up to 550 locations located in this concession. We intend to expand such drilling inventory by testing additional stacked pay zones, such as the Upper and Mid Carbonate, reducing well spacing in this block and further delineating our acreage in the Bajada del Palo Este and Águila Mora concessions.

Bajada del Palo Este

We are the operator and holder of 100% of the exploitation concession granted for the Bajada del Palo Este block in the Neuquina basin located in the Province of Neuquén. This block has proved reserves of 2.2 MMboe as of December 31, 2020 and production of 1.0 Mboe/d (45% oil) for the year ended December 31, 2020. A 35-year term unconventional exploitation concession was granted on December 21, 2019 and expires in December 2053. As per the terms of the concession contract, Vista has committed to drilling 5 horizontal wells totaling an investment of US$51.8 million by December 2021, during the three-year pilot plan period, which as of the date of this annual report had not been disbursed.

On March 2021, Vista requested the Province of Neuquén to authorize the extension of the pilot plan period, for a five-year term in total, according to Section 35 b) of the Argentine Hydrocarbons Law. Such request was mainly motivated on the unforeseen and extraordinary circumstances consequence of the Covid-19 pandemic, since the activity that was to be developed in the Bajada del Palo Este block, within the pilot plan, had to be suspended.

Bajada del Palo Este has 48,853 gross acres with exposure to shale oil Vaca Muerta acreage, which we intend to delineate in order to expand our current shale drilling inventory. In addition, this block has fluvial and aeolian sandstones of the Tordillo formation producing black oil

Jarilla Quemada and Charco del Palenque ("Agua Amarga")

We are the operator and holder of a 100% interest in the exploitation concessions Jarilla Quemada and Charco del Palenque, which we refer to collectively as "Agua Amarga," in the Neuquina basin located in the Province of Río Negro. Such concessions cover approximately 47,617 and 47,963 gross acres, respectively. These concessions had proved reserves of 0.0 MMboe and 1.2 MMboe as of December 31, 2020, respectively and joint production of 0.5 Mboe/d (40% oil) for the year ended December 31, 2020. The Charco del Palenque concession expires in October 2034, while the Jarilla Quemada concession expires in August 2040.

The productive unit is the Tordillo formation, which also has secondary recovery projects yet to be tested.

25 de Mayo-Medanito

We are the operator and holder of a 100% interest in the exploitation concession 25 de Mayo-Medanito in the Neuquina basin, located in the Province of Río Negro. The block had proved reserves of 5.5 MMboe as of December 31, 2020 and a production of 2.7 Mboe/d (94% oil) for the year ended December 31, 2020. The concession expires in October 2026.

Productive units are volcaniclastic facies of Choiyoi formation, fluvial sandstones of Tordillo formation and carbonatic and mixed clastic-carbonatic facies of the Quintuco formation. Based on the low current recovery factors, we see significant upside potential for secondary recovery.

Jagüel de los Machos

We are the operator and holder of a 100% interest in the Jagüel de los Machos exploitation concession in the Neuquina basin, located in the Province of Río Negro, which covers approximately 48,359 gross acres. The block had proved reserves of 4.7 MMboe as of December 31, 2020 and a production of 3.4 Mboe/d 75% oil) for the year ended December 31, 2020. The concession expires in September 2025.

The 25 de Mayo-Medanito and JDM concessions have the following capital commitments with the Argentine Secretariat of Energy and Mining of the Province of Río Negro:

- as of December 31, 2020, we were committed to drill and complete 2 development wells, 1 step-out wells and 1 exploration well for an estimated cost of US$5.6 million, which we expect to deliver by 2023; and
- in addition, as of December 31, 2020 we were committed to perform 15 well workover and abandon 21 wells for an estimated cost to fulfill this commitment of US$9.4 million, which we expect to deliver by 2023.

Productive units are volcaniclastic facies of Choiyoi formation, fluvial sandstones of the Tordillo formation and carbonatic and mixed clastic-carbonatic facies of the Quintuco formation.

Coirón Amargo Norte

We are the operator and holder of an 84.62% participation interest in the unincorporated joint venture for the exploitation concession for Coirón Amargo Norte in the Neuquina basin located in the Province of Neuquén, which covers approximately 26,598 gross acres. This block has proved reserves of 1.0 MMboe as of December 31, 2020 and a production of 0.3 Mboe/d (88% oil) for the year ended December 31, 2020. The concession expires in 2037. There are no pending capital commitments.

This concession has aeolian sandstones of the Tordillo formation producing black oil. Based on the results of our wells drilled to the Vaca Muerta formation in Bajada del Palo Oeste, we believe there is an opportunity of extending such delineation to Coirón Amargo Norte in the future.

On July 7, 2020, due to the default in payment of required cash contributions by Madalena, and in accordance with the terms of the joint venture agreement, the Company, through its subsidiary Vista Argentina, together with its partner Gas y Petróleo del Neuquén S.A. ("GyP"), excluded Madalena Energy S.R.L. ("Madalena") from the joint venture agreement, and distributed Madalena's working interest in the joint venture agreement proportionately between Vista Argentina and GyP. The addendum to the joint venture agreement, reflecting the new working interests, was approved by Decree No. 1,292/2020 of the Executive Branch of the Province of Neuquén dated as of November 6, 2020, with retroactive effect to July 7, 2020. As per the terms of the JOA, Vista reserves all of its rights and remedies against Madalena to enforce the due and unpaid payments. As a consequence, has increased its working interest in the Coirón Amargo Norte concession area, located in the Province of Neuquén, Argentina, from 55.00% to 84.62%. As of the date of this annual report, the Company recognizes in the consolidated financial statements its 100% participation in this joint operation.

Águila Mora

We are the operator and holder of a 90% participation interest in the unincorporated joint venture with G&P (which owns the remaining 10% participation interest) for the unconventional exploitation concession for Águila Mora in the Neuquina basin located in the Province of Neuquén, which covers approximately 23,475 gross acres, which we intend to delineate in order to expand our current shale drilling inventory.

On November 29, 2019, the Governor of the Neuquén Province issued the Decree 2597 pursuant to which GyP was granted an unconventional exploitation concession over the Águila Mora block for a term of 35 years (renewable upon termination and subject to certain conditions for successive 10-year extensions) in replacement of the existing exploration permit over the block.

GyP holds the mining rights over Águila Mora. Vista (i) holds a 90% working interest in a joint venture with GyP for the exploration and exploitation of the hydrocarbons in Águila Mora; and (ii) is the operator of Águila Mora.

The abovementioned unconventional exploitation concession includes the commitment to perform an initial pilot plan of two years, during which Vista must (i) return to production three wells previously drilled and completed by the former operator, (ii) drill two new horizontal wells, and (iii) build surface facilities, for a total investment of approximately US$32,000,000. On March 2021 we requested the Province of Neuquén to authorize the extension of the pilot plan period, for a three-year term in total, taking into account five-year term provided for in Section 35 b) of the Hydrocarbons Law. Such request was mainly motivated on the grounds that for the unforeseen and extraordinary circumstances consequence of the Covid-19 pandemic the activity that was to be developed in the Águila Mora block, within the Pilot Plan, had to be suspended.

In consideration for the concession, and in addition to the aforementioned commitment, Vista paid the Neuquén Province the following amounts: (i) US$700,000 as an infrastructure bonus; and (ii) US$800,000 for corporate and social responsibility.

This block had a production of 0.05 boe/d (100% oil) for the year ended December 31, 2020.

Coirón Amargo Sur Oeste

This block is an unconventional exploitation concession which includes approximately 16,440 gross acres located in the core of the Vaca Muerta shale play located in the Province of Neuquén. We are the holder of a 10% participation interest in an unincorporated joint venture with Shell (operator of the block) and G&P with 80% and 10% participating interest respectively.

This block had proved reserves of 1.5 MMboe as of December, 31 2020 and a production of 0.1 Mboe/d (89% oil) for the year ended December 31, 2020. As of December 31, 2020, the are no pending capital commitments with the Province of Neuquén, as we already fulfilled in 2020 the pending investments consisting of the drilling and completion of 3 horizontal wells.

Sur Río Deseado Este

We held a 16.95% participation interest in the joint venture for the exploitation concession for Sur Río Deseado Este in the Golfo San Jorge basin located in the Province of Santa Cruz, which covers approximately 75,605 gross acres. The operator of this assessment block is Alianza Petrolera. This block has no proved reserves as of December 31, 2020 nor production during the year ended December 31, 2020. There are no pending capital commitments.

APCO Argentina Branch (currently Vista Argentina) entered into an unincorporated joint venture agreement for the exploration of a portion of Sur Río Deseado Este concession, in which it has a 44% participation interest and in which Quintana E&P Argentina S.R.L. is the operator. This exploration agreement covers approximately of 63,249 gross acres out of the total 75,604 gross acres of Sur Río Deseado Este.

The 25-year term of the Sur Río Deseado Este concession expired on March 21, 2021, and Vista Argentina decided not to join the 10-year extension request filed by Alianza Petrolera to the enforcement authority, in its capacity as co-owner and operator of the concession. As of the date of this annual report, Vista Argentina expects that the enforcement authority will confirm that from March 21, 2021 onwards all of the rights, obligations, and responsibilities related to the Sur Río Deseado Este concession solely and exclusively correspond to Alianza Petrolera Argentina S.A., keeping Vista Argentina, and the other joint concessionaires, still liable for any of its obligations arising from a cause prior to March 21, 2021.

Acambuco

We hold a 1.5% participation interest in the unincorporated joint venture for the exploitation concession for Acambuco in the Noroeste basin located in the Province of Salta, which covers approximately 293,747 gross acres. The operator of this assessment block is Pan American Energy which holds a 52% interest. The remaining interests are held by three other partners, YPF which holds 45% interest, and a subsidiary of WPX Energy, Northwest Argentina Corporation, which holds the remaining 1.5% interest. This block has proved net reserves of 0.4 MMboe as of December 31, 2020 and a net production of 0.2 Mboe/d (13% oil) for the year ended December 31, 2020. San Pedrito Exploitation lot under the Acambuco concession expires in 2036 and Macueta Exploitation lot, also under the Acambuco concession, expires in 2040. There are no pending capital commitments.

Mexico

Farm-in to blocks held by Jaguar

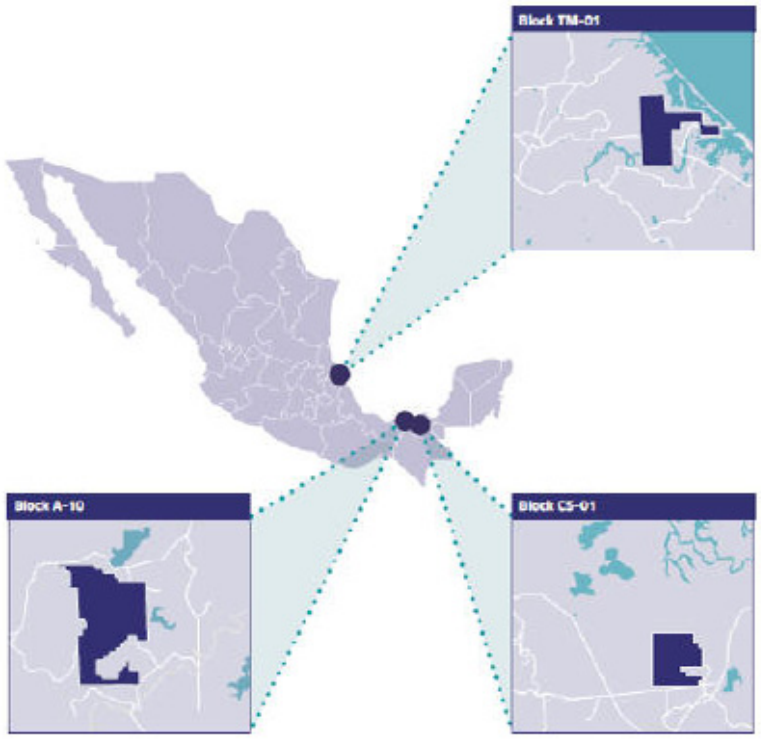
On October 30, 2018, we completed the acquisition of a 50% interest in three blocks held by two Mexican E&P companies, Jaguar Exploración y Producción 2.3, S.A.P.I. de C.V., a company wholly-owned by Jaguar Exploración y Producción de Hidrocarburos, S.A.P.I. de C.V. (“Jaguar”), and Pantera Exploración y Producción 2.2, S.A.P.I. de C.V. (“Pantera”), a company 67% owned by Jaguar and 33% owned by Sun God Energía México, S.A. de C.V., pursuant to an assignment agreement (the “Jaguar JVA”).

As a consequence of this transaction, which was approved by the CNH on October 2, 2018, we hold a 50% working interest in the following blocks:

- CS-01 (23,517 gross acres) operated by Vista (the transfer of operatorship which was approved by the CNH on August 3, 2020);
- A-10 (85,829 gross acres) and TM-01 (17,889 gross acres) both operated by Jaguar.

Additionally, on December 1, 2020, Vista reached an agreement with Jaguar and Pantera, for the assignment of 100% of the working interest Vista holds in blocks A- 10 and TM-01, in favor of Pantera and Jaguar, in exchange of 100% of the working interest Jaguar´s holds in block CS-01 in favor of Vista. Consequently, on December 17, 2020, the corresponding assignment notice was submitted to the CNH for approval, so that, once the regulatory procedure is completed, CNH may authorize the assignment of the working interest mentioned above. Consequently, Vista will own 100% of the participation interests of block CS-01, and will transfer, in its entirety, its participation in blocks A-10 and TM-01 to Pantera and Jaguar, respectively. However, as of the date of this annual report, and until CNH approves the assignment, Vista still holds a 50% working interest in the blocks CS-01, A-10 and TM-01.

The map below shows the location of our blocks in Mexico in which we have working interests as the date of this annual report:



The table below summarizes information regarding the blocks in Mexico in which we have working interests.

Block	Gross acres	Interest	Operator	Lithology	Wells Drilled	Fields	Concession Expiration
CS-01	23,517	50%	Vista	Sandstone	73	2	2047
A-10				Coarse Grained Sands Boundstone Limestone			
	85,829	50%	Jaguar	Breccia	19	4	2047
TM-01				Reef			
	17,889	50%	Jaguar	limestone	40	3	2047

The following is a summary of the characteristics as of December 31, 2020 of the license contracts that we will operate in Mexico:

Block	Main Fields	Formations / Depths (mts)	Productive wells	Injector wells
CS-01	Cafeto, Vernet	3,500/1,300	6	0
A-10	Viche, Güiro, Acachú y Acahual	2,596/3,000/2,500/2,500	2	0

CS-01 Block

We hold a 50% participating interest in the license contract signed with CNH for CS-01 block covering approximately 23,517 gross acres and located in Tabasco, Jaguar being the other licensee holding the remaining 50% interest and Vista being the current operator. This block had a net production of approximately 0.1 boe/d (83% oil) for the year ended December 31, 2020. This license contract terminates in 2047. As of December 31, 2020, the Company's estimated pending capital commitments amounted to approximately US$5.5 million, corresponding to an estimated amount of 15,840 Unidades de Trabajo ("UTs").

We intend to optimize artificial lift systems and to install systems capable of handling sand production. Additionally, we plan to drill new prospects and execute workovers to produce undeveloped reserves at upper Zargazal and Amate formations.

A-10 Block

We hold a 50% participating interest in the license contract signed with CNH for A-10 block covering approximately 85,829 gross acres located in Tabasco, with Pantera as the other licensee and holding the remaining 50% interest. Pantera is the current operator of such block. Net production was approximately 0.2 boe/d (0% oil) for the year ended December 31, 2020. This license contract terminates in 2047. As of December 31, 2020, the Company's estimated pending capital commitments amounted to approximately US$6.0 million, corresponding to an estimated amount of 12,064 UTs.

We intend to install wellhead compressors in existing wells and to further delineate Amate formation within this block with exploratory wells.

TM-01 Block

We hold a 50% participating interest in the license contract signed with CNH for TM-01 block covering approximately 17,889 gross acres and located in Veracruz, with Jaguar as operator and the other licensee holding the remaining 50% interest. Net production of the block totaled 0.01 boe/d (0% oil) for the year ended December 31, 2020. The license contract terminates in 2047. As of December 31, 2020, the Company's estimated pending capital commitments amounted to approximately US$9.1 million, corresponding to an estimated amount of 11,188UTs.

We intend to expand production by reopening inactive existing wells, which will allow us to produce the remaining oil in the Abra, Tamabra and San Andrés formations. In addition, we expect to drill new exploratory and development wells.

On August 3, 2020 the CNH approved the transfer of the operation control in block CS-01, whereby Vista Holdings II was designated as the operator of such block.

Additionally, on December 1, 2020, Vista Holding II, reached an agreement with Jaguar and Pantera with respect to the assignment of the Company´s working interest in the hydrocarbon exploration and extraction license contracts in blocks A- 10 and TM-01 in favor of Jaguar and Pantera, respectively, and the transfer of total working interest that Jaguar has in block CS-01 in favor of Vista Holding II.

Consequently, on December 17, 2020, in accordance with the applicable legislation, the corresponding assignment notice was submitted to CNH. Upon finalization of the administrative procedure, if applicable, the CNH may grant its authorization for such transfer. Subject to such approval, Vista Holding II will assume 100% of the working interests of block CS-01, and will transfer, in its entirety, its participation in blocks A-10 and TM-01 to Jaguar and Pantera, respectively.

Except as mentioned before, there were no significant changes to operations in hydrocarbon consortiums during the year ended December 31, 2020.

Oil and Natural Gas Reserves

Reserves

The information included in this annual report regarding estimated quantities of proved reserves is derived from estimates of the proved reserves as of December 31, 2020. The proved reserves estimates are derived from the report dated February 1, 2021 prepared by D&M, for our blocks located in Argentina, and the report dated February 5, 2021 prepared by NSI for our blocks located in Mexico. The 2020 Reserves Reports are included as Exhibits 99.1 and 99.2 to this annual report. D&M and NSI are independent reserves engineering consultants. The 2020 Reserves Report prepared by D&M is based on information provided by us and presents an appraisal as of December 31, 2020 of oil and gas reserves located in the Entre Lomas Río Negro, Entre Lomas Neuquén, Bajada del Palo Oeste, Bajada del Palo Este, Charco del Palenque, Jarilla Quemada, Coirón Amargo Norte, Coirón Amargo Sur Oeste, Acambuco, Jagüel de los Machos, 25 de Mayo-Medanito blocks in Argentina. The 2020 Reserves Report prepared by NSI is based on information provided by us and presents an appraisal as of December 31, 2020 of our oil and gas reserves located in the CS-01 and A-10 blocks in Mexico.

We believe our evaluators´ estimates of remaining proved recoverable oil and gas reserve volumes to be reasonable. Pursuant to Rule 4-10 of Regulation S-X, promulgated by the SEC, proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible-from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations-prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

Crude oil prices used to determine proved reserves in Argentina were the average price during the 12-month periods prior ended December 31, 2020, and December 31, 2019, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such periods. Additionally, since there are no benchmark market natural gas prices available in Argentina, we used average realized gas prices during the year to determine our gas reserves. For more information, see Note 36 of our Audited Financial Statements.

Crude oil and gas prices used to determine proved reserves in Mexico are based on the 12-month unweighted arithmetic average of the first-day-of-the-month price for each month in the period January through December 2020. For oil volumes, the average West Texas Intermediate spot price per barrel is adjusted for quality, tariffs, and market differentials. For gas volumes, the average Henry Hub spot price per MMBTU is adjusted by field for energy content, tariffs, and market differentials. All prices are held constant throughout the lives of the properties.

The following table sets forth summary information about the oil and natural gas net proved developed and undeveloped reserves of the assets we own in Argentina and Mexico as of December 31, 2020. The proved developed and undeveloped reserves estimates included below were calculated at their respective working interest percentages, including 100% working interest in Entre Lomas Río Negro, Entre Lomas Neuquén, Bajada del Palo Oeste, Bajada del Palo Este, Charco del Palenque, Jarilla Quemada, Jagüel de los Machos and 25 de Mayo-Medanito; 50% in CS-01, TM-01 and A-10; 96.8 % in Coirón Amargo Norte, 10% in Coirón Amargo Sur Oeste and 1.5% in Acambuco.

	Crude oil, condensate and NGL [1] (MMbbl)	Consumption plus natural gas sales[2] (Bncf)	Total proved reserves (MMboe)	% Oil
Net Proved developed:	37.8	86.8	53.3	71%
Net Proved undeveloped:	61.8	73.9	74.9	82%
Total Net Proved	99.6	160.7	128.1	78%

Total figures may not add up due to rounding.

(1) Our hydrocarbon liquid volumes include crude oil, condensate and NGL (LPG and natural gasoline). We do not include separate figures for NGL reserves because they represented less than 2% and 1% of our proved developed and undeveloped reserves as of December 31, 2019 and December 31, 2020, respectively.

(2) Natural gas consumption represented 14% of total natural gas reserves (consumption plus natural gas sales) as of December 31, 2019 and 16% as of December 31, 2020.

As of December 31, 2020, the oil and gas proved reserves of the assets we own (developed and undeveloped) totaled 128.1 MMboe (99.5 MMbbl of oil, condensate and NGL and 160.7 Bncf, or 28.6 MMboe of gas). Proved undeveloped reserves of crude oil, condensate and NGL represented 48% of our total proved reserves.

	Total Proved Developed			Total Proved Undeveloped			Total Proved		
	Crude oil, condensate and NGL[1] (MMbbl)	Consumption plus natural gas sales[2] (Mmboe)	Total of oil and gas proved developed reserves (MMboe)	Crude oil, condensate and NGL (MMbbl)	Consumption plus natural gas sales (Mmboe)	Total of oil and gas proved undeveloped reserves (MMboe)	Crude oil, condensate and NGL (MMbbl)	Consumption plus natural gas sales (Mmboe)	Total of oil and gas proved reserves (MMboe)
Bajada del Palo Oeste Conventional	3.4	4.2	7.6	0.3	2.2	2.5	3.7	6.4	10.1
Bajada del Palo Oeste Shale	15.2	2.8	18.0	60.0	10.7	70.8	75.2	13.6	88.8
Bajada del Palo Oeste Total	18.6	7.0	25.6	60.3	13.0	73.3	78.9	20.0	98.9
Bajada del Palo Este	1.2	1.0	2.2	—	—	—	1.2	1.0	2.2
Coirón Amargo Norte	0.8	0.2	1.0	—	—	—	0.8	0.2	1.0
Charco del Palenque	1.0	0.2	1.2	—	—	—	1.0	0.2	1.2
Jarilla Quemada	—	—	—	—	—	—	—	—	—
Entre Lomas Río Negro	5.4	4.2	9.6	—	—	—	5.4	4.2	9.6
Entre Lomas Neuquén	1.8	1.0	2.8	—	—	—	1.8	1.0	2.8
Jaguel de los Machos	3.7	1.0	4.7	—	—	—	3.7	1.0	4.7
25 de Mayo-Medanito SE	5.0	0.3	5.3	0.2	—	0.2	5.2	0.3	5.5
Coirón Amargo Suroeste	0.1	—	0.1	1.2	0.2	1.4	1.3	0.2	1.5
Acambuco	—	0.4	0.4	—	—	—	—	0.4	0.4
CS-01	0.2	—	0.2	—	—	—	0.2	—	0.2
A-10	—	0.1	0.1	—	—	—	—	0.1	0.1
Total	37.8	15.5	53.3	61.7	13.2	74.9	99.5	28.6	128.1

(1) Our hydrocarbon liquid volumes include crude oil, condensate and NGL (LPG and natural gasoline). We do not include separate figures for NGL reserves because they represented less than 2% and 1% of our proved developed and undeveloped reserves as of December 31, 2019 and December 31, 2020, respectively.

(2) Natural gas consumption represented 14% of total natural gas reserves (consumption plus natural gas sales) as of December 31, 2019 and 16% as of December 31, 2020.

Changes in our proved and undeveloped reserves during 2020

As of December 31, 2020, we had an estimated volume of proved undeveloped reserves of 74.9 million barrels of oil equivalent (MMboe), which represented approximately 58.5% of the 128.1 MMboe total reported proved reserves as of such date. This compares to estimated proved undeveloped reserves of 52.1 MMboe as of December 31, 2019.

The total increase of 22.8 MMboe in proved undeveloped reserves in 2020 is attributable to:

- An increase of 29.4 MMboe in the extensions and discoveries category, driven by the extension of proved acreage due to the results in our Bajada del Palo Oeste project, where after the completion and tie-in of the three 4-well pads in 2020, a total of 29.4 MMboe corresponding to 26 new well locations (six 4-well pads and one 2-well pad) were added to the proved undeveloped category; and
- An increase of 1.9 MMboe due to revisions of previous estimates. The increase of 1.9 million barrels of oil equivalent (MMboe) reported as attributable to revisions of previous estimates is mainly driven by an increase of 5.9 MMboe due to revisions to the performance of previous estimates associated with the increase of the type of well for the Vaca Muerta unconventional reservoir in the Bajada del Palo Oeste concession due to better performance observed in the pads drilled during 2020. Such increase was partially offset by a decrease of 3.4 MMboe due to changes in the development plan associated which resulted in the removal of three well locations targeting the Lotena conventional gas reservoir in the Bajada del Palo Oeste concession, four well locations in the Charco del Palenque concession, four well locations in the Entre Lomas Rio Negro concession, one well location in the Jaguel de los Machos concession, and three well locations in the 25 de Mayo-Medanito Sudeste concession. Additionally, the increase was offset by a decrease of 0.6 MMboe due to revision in commodity prices.

This was partially offset by:

- A decrease of 8.5 MMboe, which were recategorized as proved developed reserves, as a result of drilling and the tie-in of two 4-well proved undeveloped pads targeting the Vaca Muerta unconventional reservoir in the Bajada del Palo Oeste concession.

During 2020, we invested US$70.6 million to convert proved undeveloped reserves to proved developed reserves, of which US$68.3 million correspond to drilling, completion and tie-in activities of 8 new wells, and US$2.4 million relate to investments in oil and gas treatment and transportation capacity. During 2019, we invested US$80.7 million to convert proved undeveloped reserves to prove developed reserves, of which US$61.2 million correspond to drilling, completion and tie-in activities of 18 new wells, and US$19.5 million relate to investments in oil and gas treatment and transportation capacity.

We plan to put 100% of our reported 2020 year-end proved undeveloped reserves into production through activities to be implemented within five years of initial disclosure.

Reserves Estimation Process—Internal Controls

We maintain an internal staff of petroleum engineers and geoscience professionals who work closely with our independent reserves engineers to ensure the integrity, accuracy and timeliness of data furnished to our independent reserves engineers in their estimation process and who have knowledge of the specific properties under evaluation. Our Chief Operating Officer, Juan Garoby, is primarily responsible for overseeing the preparation of our reserves estimates and for the internal control over our reserves estimation. He has more than 20 years of exploration and production and oilfield services experience.

In order to ensure the quality and consistency of our reserves estimates and reserves disclosures, we maintain and comply with a reserves process that satisfies the following key control objectives:

- estimates are prepared using generally accepted practices and methodologies;
- estimates are prepared objectively and free of bias;
- estimates and changes therein are prepared on a timely basis;
- estimates and changes therein are properly supported and approved; and
- estimates and related disclosures are prepared in accordance with regulatory requirements.

Throughout each fiscal year, our technical team meets with "Independent Qualified Reserves Engineers," who are provided with full access to complete and accurate information pertaining to the properties to be evaluated and all applicable personnel. This independent assessment of the internally-generated reserves estimates is beneficial in ensuring that interpretations and judgments are reasonable and that the estimates are free of preparer and management bias.

Recognizing that reserves estimates are based on interpretations and judgments, there might be differences between the proved reserves estimates prepared by us and those prepared by an Independent Qualified Reserves Engineer. Although such differences were discussed in the technical meetings, the reports include figures estimated by our Independent Qualified Reserves Engineer. Once the process is finished, the Independent Qualified Reserves Engineer sends a preliminary copy of the reserves report to members of our senior management, who act as a Reserves Review Committee. Our Chief Operating Officer, Chief Executive Officer, Chief Financial Officer and Investor Relation and Strategic Planning Officer are part of this committee.

Independent Reserves Engineers

The 2020 reserves data of the assets we own in Argentina were certified by a third party: D&M. D&M is a global oil and gas consultancy that has been offering technical, commercial, and strategic advice to the oil and gas industry since 1936. Vista asked D&M to prepare a report which was issued on February 1, 2021 covering reserves as of December 31, 2020 of the assets we own in Argentina. For the year ended December 31, 2020, the technical person within the third party engineering firm overseeing the preparation of the reserves estimates presented in our filing for Argentina was Mr. Federico Dordoni. For disclosure describing the qualifications of D&M's technical person primarily responsible for overseeing our reserves evaluation, see Exhibit 99.1 to this annual report.

The reserves estimates shown herein have been independently evaluated by NSI, a subsidiary of Netherland, Sewell, & Associates, Inc. ("NSAI"), a worldwide leader of petroleum property analysis for industry and financial organizations and government agencies. NSAI was founded in 1961 and performs consulting petroleum engineering services under Texas Board of Professional Engineers Registration No. F-2699. Within NSAI, the technical persons primarily responsible for preparing the estimates set forth in the NSAI reserves report incorporated herein are Mr. Joseph Wolfe and Mr. Philip Hodgson. Mr. Wolfe, a Licensed Professional Engineer in the State of Texas (No. 116170), has been practicing consulting petroleum engineering at NSAI since 2013 and has over 5 years of prior industry experience. Mr. Hodgson, a Licensed Professional Geoscientist in the State of Texas, Geology (No. 1314), has been practicing consulting petroleum geoscience at NSAI since 1998 and has over 14 years of prior industry experience. Both technical principals meet or exceed the education, training, and experience requirements set forth in the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers; both are proficient in judiciously applying industry standard practices to engineering and geoscience evaluations as well as applying SEC and other industry reserves definitions and guidelines. Vista asked NSI to prepare a report which was issued on February 5, 2021 covering reserves as of December 31, 2020 of the assets we own in Mexico.

Technology used in reserves estimation

According to SEC guidelines, proved reserves are those quantities of oil and gas which, by analysis of geoscience and engineering data, can be estimated with "reasonable certainty" to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation

The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within five years. The term "reasonable certainty" implies a high degree of confidence that the quantities of oil and/or natural gas actually recovered will equal or exceed the estimate. Reasonable certainty can be established using techniques that have been proved effective by actual production from projects in the same reservoir or an analogous reservoir or by other evidence using reliable technology that establishes reasonable certainty. Reliable technology is a grouping of one or more technologies (including computational methods) that have been field tested and have been demonstrated to provide reasonably certain results with consistency and repeatability in the formation being evaluated or in an analogous formation.

There are various generally accepted methodologies for estimating reserves including volumetric, decline analysis, material balance, simulation models and analogies. Estimates may be prepared using either deterministic methods. The particular method chosen should be based on the evaluator's professional judgment as being the most appropriate, given the geological nature of the property, the extent of its operating history and the quality of available information. It may be appropriate to employ several methods in reaching an estimate for the property.

Estimates must be prepared using all available information (open and cased hole logs, core analyses, geologic maps, seismic interpretation, production/injection data and pressure test analysis). Supporting data, such as working interest, royalties and operating costs, must be maintained and updated when such information changes materially.

Our estimated proved reserves as of December 31, 2020 are based on estimates generated through the integration of available and appropriate data, utilizing well-established technologies that have been demonstrated in the field to yield repeatable and consistent results. Data used in these integrated assessments include information obtained directly from the subsurface via wellbore, such as well logs, reservoir core samples, fluid samples, static and dynamic pressure information, production test data, and surveillance and performance information. The data utilized also include subsurface information obtained through indirect measurements, including high quality 2-D and 3-D seismic data, calibrated with available well controls. Where applicable, geological outcrop information was also utilized. The tools used to interpret and integrate all this data included both proprietary and commercial software for reservoir modeling, simulation and data analysis. In some circumstances, where appropriate analog reservoir models are available, reservoir parameters from these analog models were used to increase the reliability of our reserves estimates.

Acreage

As of December 31, 2020, our total developed and undeveloped acreage in Argentina, both gross and net, was as follows. The table includes the total acreage by us and our subsidiaries, joint operations and associates.

	Total Acreage		Total Developed Acreage		Total Undeveloped Acreage	
	Gross	Net	Gross	Net	Gross	Net
Argentina	830,954	520,379	98,753	80,052	732,200	440,327
Mexico	127,235	63,617	16,803	8,402	110,431	55,216

Figures are approximate amounts.

Productive Wells

As of December 31, 2020, our total gross and net productive wells in Argentina and Mexico were as follows. The table includes the total gross and net productive wells by us and our subsidiaries, joint operations and associates. We did not drill exploratory wells during 2020. Among the 12 development wells completed during 2020, none of them were dry.

	Oil		Gas		Total	
	Gross	Net	Gross	Net	Gross	Net
Argentina	951	936	77	71	1,028	1,008
Mexico	6	3	2	1	8	4

Figures are approximate amounts.

Present Activities

The following table shows the number of wells in Argentina and Mexico that are in the process of being drilled or are in active completion stages, and the number of wells suspended or waiting on completion as of December 31, 2020. For more information on our present activities, see "Item 4—Information on the Company—History and Development of the Company—Oil and Natural Gas Reserves Production—Drilling Activities."

	Wells in process of being drilled or in active completion in Argentina	Wells in process of being drilled or in active completion in Mexico
Oil wells		
Gross	12	0
Net	12	0
Gas wells		
Gross	0	0
Net	0	0

Production

The following tables set forth information on our oil and natural gas production volumes in Argentina for the year ended December 31, 2020, December 31, 2019 and December 31, 2018.

Block	Production for the year ended December 31, 2020		Production for the year ended December 31, 2019		Working Interest	Operator
	Oil[1] (in thousands of barrels)	Natural gas sales[2] (in millions of cubic feet)	Oil[1] (in thousands of barrels)	Natural gas sales[2] (in millions of cubic feet)		
Neuquina basin						
Bajada del Palo Oeste	3,055.3	7,675.4	1,993.0	8,792.6	100%	Vista
Entre Lomas Río Negro	985.2	3,244.0	1,219.5	4,552.3	100%	Vista
JDM	939.4	1,743.9	1,186.9	2,160.3	100%	Vista
25 de Mayo-Medanito	938.1	321.5	1,218.0	404.1	100%	Vista
Entre Lomas Neuquén	351.0	466.1	486.7	1,872.4	100%	Vista
Bajada del Palo Este	158.8	1,003.1	212.8	1,515.1	100%	Vista
Coirón Amargo Norte	94.6	73.6	81.2	70.9	84.62%	Vista
Jarilla Quemada[3]	70.6	570.3	117.1	690.2	100%	Vista
Coirón Amargo Sur Oeste	30.9	20.8	56.9	39.9	10%	Shell
Águila Mora	18.0	—	13.5	—	90%	Vista
Charco del Palenque	—	—	—	—	100%	Vista
Golfo San Jorge basin						
Sur Río Deseado Este	—	—	—	—	16.95%	Alianza Petrolera
Noroeste basin						
Acambuco	8.6	314.0	8.5	344.4	1.5%	Pan American Energy

(1) Oil production is comprised of production of crude oil, condensate and natural gasoline.
(2) Natural gas production excludes natural gas consumption.
(3) Consolidates information of both Jarilla Quemada and Charco del Palenque.

Block	Production for the nine months period ended December 31, 2018		Working Interest	Operator
	Crude oil[1] (in thousands of barrels)	Natural gas[2] (in millions of cubic feet)		
Neuquina basin				
Bajada del Palo Oeste	450.3	7,336.1	100%	Vista
Entre Lomas Río Negro	1,383.3	4,721.7	100%	Vista
JDM	1,134.0	2,117.4	100%	Vista
25 de Mayo-Medanito	1,362.0	671.4	100%	Vista
Entre Lomas Neuquén	433.2	647.3	100%	Vista
Bajada del Palo Este	232.0	1,610.4	100%	Vista
Coirón Amargo Norte	102.8	84.4	84.62%	Vista
Jarilla Quemada[3]	157.1	938.4	100%	Vista
Coirón Amargo Sur Oeste	75.5	53.3	10%	Shell
Águila Mora	0	0	90%	Vista
Charco del Palenque	—	—	100%	Vista
Golfo San Jorge basin				
Sur Río Deseado Este	0	0	16.95%	Alianza Petrolera
Noroeste basin				
Acambuco	8.2	398.5	1.5%	Pan American Energy

(1) Oil production is comprised of production of crude oil, condensate and natural gasoline.
(2) Natural gas production excludes natural gas consumption.
(3) Consolidates information of both Jarilla Quemada and Charco del Palenque.

Drilling Activities

As of the date of this annual report, all of our drilling activities are concentrated in Argentina.

During the year ended December 31, 2020, we deployed capital expenditures in our shale development in Vaca Muerta. During the year ended December 31, 2020, we invested US$199.0 million, of which US$177.1 million correspond to the drilling and completion activities in our Vaca Muerta development in Bajada del Palo Oeste, where we completed our 4-well pads #3, #4 and #5, drilled pads #6 and #7 and performed 1 workover, US$21.8 million correspond to the construction of associated facilities, studies, the CASO concession capital expenditures and others. During the year ended December 31, 2019, we invested US$150.2 million, of which US$117.7 million correspond to the drilling and completion activities in our Vaca Muerta development in Bajada del Palo Oeste, where we completed our first two 4-well pads, drilled the third one and performed 1 workover, US$30.0 million correspond to the construction of associated facilities and others, and US$2.5 million to CASO block. During the 2018 Successor Period we invested US$57.7 million, of which US$53.8 million correspond to the Bajada del Palo Oeste development operated by Vista and US$3.9 million correspond to new well activity in the CASO block operated by Shell. Total capital expenditures during the year ended December 31, 2020 totaled US$223.9 million, 99% of which were invested in our assets in Argentina, while in the year ended December 31, 2019 the total capital expenditures totaled US$224.1 million, 99% of which were invested in our assets in Argentina.

Total capital expenditures in conventional drilling and workover activities during the year ended December 31, 2020 were US$4.8 million, which mainly corresponds to the drilling of 4 conventional wells tied-in during the first quarter of 2021, and total capital expenditures related to the conventional production in associated facilities, studies and others totaled US$20.1 million, resulting in total conventional capital expenditures of US$24.9 million during 2020. During the year ended December 31, 2019, we drilled and completed 19 conventional wells and performed 11 workovers. Among the drilled and completed wells, 12 new wells targeted oil-weighted formations, whereas 5 wells targeted gas formations and 2 were exploratory wells. Total capital expenditures in conventional drilling and workover activities during the year ended December 31, 2019 were US$50.0 million and total capital expenditures in associated facilities and others totaled US$24.9 million.

The tables below set forth the number of wells drilled by us in each of the last three years, by type (development or exploratory) and productivity (productive or dry).

Argentina

For the Year Ended December 31,	Oil development well –productive	Gas development well – productive	Oil development well – dry	Gas development well – dry	Exploratory well – productive	Exploratory well – dry
2018	17	3	0	0	0	0
2019	20	5	2	0	1	0
2020	24	0	0	0	0	0

Mexico[1]

For the Year Ended December 31,	Oil development well –productive	Gas development well – productive	Oil development well – dry	Gas development well – dry	Exploratory well – productive	Exploratory well – dry
2018	—	—	—	—	—	—
2019	0	0	0	0	0	0
2020	0	0	0	0	0	0

(1) The Mexican operations commenced in 2019.

Delivery Commitments

As of the date of this annual report, all of our oil and gas delivery commitments are concentrated in Argentina. The principal sources of oil and gas that we produce in Argentina are the Bajada del Palo Oeste, Entre Lomas Neuquén, Entre Lomas Río Negro, 25 de Mayo-Medanito and JDM blocks. For more information on the amounts we expect to receive from these blocks, see "Item 4—Information on the Company—History and Development of the Company—Our Operations—Argentina—Crude Oil Production and Natural Gas Production in Argentina."

We are committed to providing fixed and determinable quantities of crude oil, natural gas and NGL in the near future under a variety of contractual arrangements, some of them under firm arrangements and others on a spot basis. Although seasonal demand behavior during winter and autumn affects the prices that we receive for our production, the impact of such seasonality has not played a significant role in our ability to conduct our operations, including drilling and completion activities.

As of December 31, 2020, 51% of our oil production was subject to monthly delivery commitments. According to our estimates, as of December 31, 2020, our contractual delivery commitments, which do not extend beyond December 31, 2020, could be met with our own production.

For natural gas, in April 2020 we signed annual commitments that represent approximately 90% of our marketable total production, with seasonal pricing arrangements. The remainder is being sold to the spot market while we secure firm delivery opportunities.

For LPG, we are committed to deliver a specific quota of propane under an agreement with the Argentine Secretariat of Energy that represents approximately 30% or our annual production to guarantee local demand of residential grids, and the remaining production is freely marketed; regarding Butane we deliver under a National Decree approximately 85% of our annual production to guarantee local LPG cylinders demand for residential consumers.

One Team Contracts

We have implemented a contracting approach ("One Team Contracts") which aims to align the commercial interests of operators and contractors through performance payments. Operationally, we aim to integrate our operating team with our service providers's team by sharing common objectives and goals and by using same key performance indicators, which provide economic incentives to the personnel of all companies working under the One Team Contracts. Some of the most relevant contracts have already migrated to One Team Contracts: (i) One Team Drilling, which involves Schlumberger and Nabors drilling, (ii) One Team Completion, which involves Schlumberger and Brent *Energía y Servicios*, and (iii) One Team Pulling, which involves Quintana Well Pro.

Transportation and Treatment

In our operated blocks in Argentina, we transport and treat our oil, gas and water production in existing transportation treatment facilities that have sufficient spare capacity to process and deliver our current production and initial shale production to the Oldelval and Transportadora Gas del Sur ("TGS") pipeline system. Such existing treatment facilities are comprised of two oil and gas pipelines, 29 batteries distributed along the blocks, 2 oil treatment plants, 2 water treatment plants, 11 compression plants.

All production from Entre Lomas, Bajada del Palo Oeste, Bajada del Palo Este, Agua Amarga, Coirón Amargo Norte, except for gas production of Bajada del Palo Oeste which is injected in a nearby gas pipeline, is gathered and transported to Entre Lomas' oil treatment plant, water treatment plant and gas complex ("Entre Lomas Central Production Facility"). Such Entre Lomas Central Production Facility is composed of: (i) a gas complex which has an existing capacity of approximately 45 MMscf/d of gas, with idle capacity of approximately 65%, (ii) a crude oil treatment plant, which has a capacity of 31,000 bbl/d with idle capacity of approximately 5% and (iii) a water treatment plant with an existing capacity of approximately 80,000 bbl/d and idle capacity of approximately 20%.

Production from 25 de Mayo-Medanito and JDM blocks is gathered and transported to 25 de Mayo-Medanito's oil treatment plant and water treatment plant ("Medanito Central Production Facility"). Such Medanito Central Production Facility is composed of: (i) a crude oil treatment plant with an existing capacity to process approximately 19,000 bbl/d, with an idle capacity of approximately 75% and (ii) a water treatment plant with an existing capacity of approximately 70,000 bbl/d with idle capacity of approximately 60%. Gas production is gathered and delivered to Medanito S.A. gas processing plant, where it is sweetened and processed.

Once treated, we transport our oil and gas production in several ways depending on the infrastructure available and the cost efficiency of the transportation system in any given location. We use the oil pipeline system and oil tankers to transport oil to our customers. Oil is customarily sold through contracts whereby producers are responsible for transporting produced oil from the field to a port for shipping, with all costs and risks associated with transportation borne by the producer. Gas, however, is sold at the point of delivery of the gas pipeline system near the field and, therefore, the customer bears all transportation costs and risks associated therewith. Oil and gas transportation in Argentina operates in an "open access" non-discriminatory environment under which producers have equal and open access to the transportation infrastructure. We maintain limited storage capacity at the oil Terminal located in Puerto Rosales, near Bahía Blanca from which oil is delivered to our end customers.

Overview of exploitation concessions in Argentina

For an overview of the framework governing oil and gas exploitation concessions in Argentina, see "Item 4—Information on the Company—History and Development of the Company—Industry and Regulatory Overview——Oil and Gas Regulatory Frameworks in Argentina."

Customers and Marketing

Oil Markets

In Argentina, our crude oil production was both sold to domestic refineries and exported during 2020, in comparison to 2019 where out crude oil product was mainly sold to domestic refineries. Our main domestic customers are Raizen and Trafigura, which combined represented 55% and 98% of our total oil revenues for the years ended December 31, 2020, 2019 and the 2018 Succesor Period, respectively. Approximately 99% of our oil is produced in the Neuquina basin and is referred to as Medanito crude oil, a high-quality oil generally in strong demand among Argentine refiners for subsequent distribution in the domestic market. Production from our Neuquina basin properties is transported to Puerto Rosales, a major industrial port in the southern region of the Province of Buenos Aires through the Oldelval pipeline system, then goes to either the domestic refining market, which consists of five active refiners, or to international customers through maritime transportation. Even though we prioritize long-term relationships with domestic customers, we are seeking relationships with international customers in order to establish a diversified portfolio for our expected production increase in the upcoming years.

In Mexico, all the crude oil production is sold to Pemex. Jaguar has entered into an oil purchase agreement with Pemex covering the three blocks in which we hold a working interest in Mexico. Pursuant to this purchase agreement, Jaguar (as operator of TM-01 and A-10 blocks) sells 100% of the production to Pemex, and Vista Holding II pays Jaguar a fee on such sales. See "Item 4—Information on the Company—Industry and Regulatory Overview—Mexico's Oil and Gas Industry Overview."

Vista (as operator of the CS-01 block) sells 100% of the production to Pemex, and Jaguar pays Vista Holding II a fee on such sales. See "Item 4—Information on the Company—Industry and Regulatory Overview—Mexico's Oil and Gas Industry Overview."

Natural Gas Markets and NGL

In Argentina, we have established a very diversified portfolio of customers for natural gas. Our primary customers in 2020 and 2019 were industrial customers, representing 52% and 55% of our total natural gas revenues for such period, respectively. Argentina has a highly developed natural gas market and a sophisticated infrastructure in place to deliver natural gas to export markets or to industrial and residential customers in the domestic market. However, natural gas markets in Argentina are regulated by the Argentine government. Even though the Argentine government sets the price at which natural gas producers sell volumes to residential customers, volumes that are sold to industrial and other customers are not regulated and pricing varies with seasonal factors and industry category. We generally sell our natural gas to Argentine customers pursuant to short-term contracts and in the spot market. The Neuquina basin is served by a substantial gas pipeline network that delivers gas to the Buenos Aires metropolitan and surrounding areas, and the industrial regions of Bahia Blanca and Rosario. Natural gas produced in our Neuquina basin properties is readily marketed due to accessibility to such infrastructure. Our properties are well situated in the basin with two major pipelines in close proximity. Natural gas produced in this basin that is not under contract can readily be sold in the spot market. In Mexico, all the natural gas production is sold to Pemex.

With regards to our NGL production, we comply with domestic commitments set by the Argentine government with the objective of ensuring the supply for propane and bottled butane for residential uses. Our remaining NGL production is marketed within the Neuquina basin.

Competition

The oil and gas industry is competitive, and we may encounter strong competition from other independent operators and from major oil companies in acquiring and developing licenses or oil agreements. In Argentina, we compete for resources with state-owned YPF, as well as with privately-owned companies such as Pan American Energy, Pluspetrol, Tecpetrol, Chevron, Wintershall, Total, Sinopec, among others. In Mexico, we compete for resources with Pemex the state-owned company and local and international oil companies.

We are also affected by competition for drilling rigs and the availability of related equipment. Higher commodity prices generally increase the demand for drilling rigs, supplies, services, equipment and crews, and can lead to set rig services contracts with international contractors, or shortages of, and increasing costs for, drilling equipment, services and personnel. Over the past several years, oil and natural gas companies have experienced higher drilling and operating costs. Shortages of experienced drilling crews and equipment and services or increasing costs could restrict our ability to drill wells and conduct our operations.

Intellectual Property

Our intellectual property is an essential element of our business, and our success depends, at least in part, on our ability to protect our core technology and intellectual property. To accomplish this, we rely on a combination of patent, trade secret, trademark and other intellectual property laws, confidentiality agreements and license agreements to establish and protect our intellectual property rights. As of December 31, 2020, we had no pending patent applications.

Information Technology

We rely on our information technology systems and automated machinery to effectively manage our production processes and operate our business. As with other companies, our information technology systems may be vulnerable to damage or interruption from cyber-attacks and other security breaches. Our computer systems are supported by Dell and IBM infrastructure for data processing, NetApp and EMC for storage and backup and Cisco for networking and firewall cybersecurity. As of the date of this annual report, we are working on the implementation of S/4 Hana, a cloud-based ERP licensed by SAP (*Systeme, Anwendungen und Produkte in der Datenverarbeitung* – Systems, Applications & Products in Data Processing), which we expect will standardize administrative processes and improve internal control across our entire organization.

We depend on digital technology, including information systems to process financial and operating data, analyze seismic and drilling information and oil and gas reserves estimates as well as real-time systems for monitoring and controlling production. We have increasingly connected equipment and systems to the Internet. Because of the critical nature of their infrastructure and the increased accessibility enabled through connection to the Internet, they may face a heightened risk of cyber-attack. See "Item 3—Key Information—Risk Factors—Risks Related to Our Business and Industry—Our industry has become increasingly dependent on digital technologies to carry out daily operations."

Insurance

We maintain insurance coverage of types and amounts that we believe to be customary and reasonable for companies of our size and with similar operations in the oil and gas industry. However, as is customary in the industry, we do not insure fully against all risks associated with our business, either because such insurance is not available, insurance coverage is subject to a cap or because premium costs are considered prohibitive.

Currently, our insurance program includes, among other things, construction, fire, vehicle, technical, umbrella liability, director's and officer's liability and employer's liability coverage. Our insurance includes various limits and deductibles or retentions, which must be met prior to or in conjunction with recovery. A loss not fully covered by insurance could have a materially adverse effect on our business, financial condition and results of operations.

Sustainability Matters

The main objectives of our sustainable development strategy is to conduct our business in a manner that promotes (i) economic growth, (ii) a healthy environment and (iii) positive community impact. We believe that this approach will enable us to deliver long-term value to our shareholders and stakeholders.

During 2020, we announced our support for the Ten Principles of the United Nations Global Compact. We are committed to demonstrating that our strategy, culture and day-to-day operations will contribute to the United Nations Global Compact Sustainable Development Goals. Additionally, we support the provisions of the Women's Empowerment Principles disseminated by the United Nations Entity for Gender Equality.

Vista is a young company with entrepreneurial spirit, built on legacy assets with a decades long track record of reliable operations. From our inception we have been committed to reaching our sustainability goals and encouraging our employees and contractors to commitment to sustainability goals. Sustainability is vital to our business strategy and believe that we have the people, processes and commitments in place to contribute to efforts to alleviate the complex energy and environmental challenges of today and tomorrow.

We have committed to publishing our inaugural Sustainability Report by the end of April 2021. Such report aligns with the expectations and guidelines set forth by Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB). We rely on GRI as the primary disclosure standard for comprehensive coverage of ESG factors and SASB for industry-specific ESG topics most relevant to our financial performance and long-term value creation.

For the full version of our Sustainability Report, please visit our website (http://www.vistaoilandgas.com/en/sustainability/). Information contained on, or accessible through, our website is not incorporated by reference in, and will not be considered part of, this annual report.

General regulatory matters

We and our operations are subject to various stringent and complex international, federal, state and local environmental, health and safety laws and regulations in the countries in which we operate that govern matters including the emission and discharge of pollutants into the ground, air or water; the generation, storage, handling, use and transportation of regulated materials and human health and safety. These laws and regulations may, among other things:

- require the acquisition of various permits or other authorizations or the preparation of environmental assessments, studies or plans (such as well closure plans) before seismic or drilling activity commences;
- enjoin some or all of the operations of facilities deemed not in compliance with permits;
- restrict the types, quantities and concentration of various substances that can be released into the environment in connection with oil and natural gas drilling, production and transportation activities;
- require establishing and maintaining bonds, reserves or other commitments to plug and abandon wells; and
- require remedial measures to mitigate or remediate pollution from our operations, which, if not undertaken, could subject us to substantial penalties.

Environmental Policy

Our HSE Policy demonstrates our commitment to environmental stewardship as an integral pillar of our operations, including, and not limited it, acquisitions and project design through construction, operation and cessation. The HSE Policy is comprised of ten principles, which include, among others, accountability, risk management, unplanned event management, community awareness and emergency preparedness. It also reinforces our commitment to operational controls and procedures that promote efficient and environmentally sound operations. Recognizing that our ability to conduct business in the Neuquina basin is a privilege—where we have built a premier acreage position and first class asset base—we have striven to be good stewards of the air, water and land where we operate.

Although the world is transitioning to a lower-carbon economy, we believe that oil & gas development and production will remain a key component of the global energy supply in the foreseeable future. We also believe that we are well positioned to play a significant role in meeting global energy demand in an efficient, safe and environmentally responsible manner. We focus our operations on the Neuquina basin, which has substantial existing infrastructure that enables us to bring reserves to market more efficiently and economically. One of the ways we are contributing to the energy transition is through the flexibility of our asset base, focusing on low-cost, high-efficiency assets that can be produced in the short- and medium-term. Therefore, we believe that the oil and natural gas we produce will remain among the most reliable, affordable, versatile and scalable energy sources for consumers, supplementing the supply of other sources of energy to meet global demand. We believe we are well poised to adapt to the changing landscape of the oil & gas industry. We are committed to taking a lead in the energy transition, aiming to become a reliable low cost and low carbon energy company.

Our Environmental Management Standard indicates how to manage atmospheric emissions from our operations, including GHG, in line with global climate change initiatives. Our guiding principles include:

- Identification and compliance with all applicable legal requirements;
- Inventory of processes releasing GHG based on international standards for calculation, classification, evaluation and reporting;
- Reduction of vents resulting from production operations;
- Monitoring of air quality and atmospheric emissions;
- Identification and control of fugitive emissions; and
- Yearly inventory and reporting of GHG Scope 1 and 2 emissions.

We have defined our corporate strategy, which is divided into two phases, in order to reduce the potential negative impact of our operations. Phase 1 includes the determination of our GHG emissions reference baseline. According to this study, our Scope 1 and Scope 2 GHG emissions were 446,392 tons of CO2 equivalent in 2019 and 416,700 tons of CO2 equivalent in 2020. Phase 2 is a GHG emissions reporting and reduction plan. This includes preparing a solid multiyear-action plan to reduce GHG emissions, which will involve upgrading of our facilities where applicable and introducing of new technologies.

Health and Safety Policy

The implementation of additional safety procedures in our operations in consistency with our Policy, such as training, work permits, internal audits, drills, tailgate safety meetings, job safety analysis and risk evaluations, has led to a reduction in the number of workforce safety incidents.

Our safety management system is applied following an Operating Management System (OMS) framework and covers all of our employees and contractors working in our offices, fields and providing services. The OMS was designed based on recommended practices for the oil & gas industry and according to IOGP and IPIECA guidelines.

As of December 31, 2020, on a rolling 12-month basis, our Total Recordable Incident Rate ("TRIR") has improved 70% vis-à-vis our TRIR as at December 31, 2019. In 2020 our TRIR was 0.38 (based on a rate of 2.62 million work hours) as compared to a 1.25 (based on a rate of 3.21 million work hours) as of December 31, 2019. The TRIR for the nine-month period ended December 31, 2018 covered by our operations was 3.24. We had no fatalities due to workforce incidents involving Vista employees related to operations in the years ended December 31, 2020, December 31, 2019 and December 31, 2018.

Communities

At Vista, we embrace the communities in which we operate. As part of our continuous commitment to sustainable development, we foster local economic development and seek to create long-term, significant benefits in the communities where we operate. Our community initiatives are based on four pillars: institutional support, education and training, wellness and sports and emergency assistance. These activities are framed by a defined approach that outlines the way we interact and engage with different stakeholders.

Recent Trends in the Latin American E&P Sector

The Latin American E&P sector is a desirable destination for investments on account of the scale of its resources. Some recent investment trends include the successful ongoing development of Vaca Muerta in Argentina as the largest commercially developed shale play outside of North America; the improving security situation along with a longstanding attractive regulatory framework in Colombia and recent Ecopetrol's asset sale rounds; and Brazil's recent regulatory improvements aimed at fostering investments in the E&P sector, Petrobras' divestment program, and the announcement of Brazilian National Agency of Petroleum's new bidding rounds, among others. Given the scale of resources and the competitive terms the region offers, actionable opportunities for investment in the Latin American E&P sector present a strong value proposition.

In Latin America, the competition for assets is still low in comparison to other regions worldwide, particularly in North America, which is reflected in lower acquisition costs as measured by different metrics, such as price per flowing barrel of production, price per barrel of oil equivalent of proven reserves and price per acre (specific for shale plays). Since the commodity price crunch in 2014, oil majors have been heavily investing in the region to develop their positions, primarily in Brazil and Argentina.

Argentina's Oil and Gas Industry Overview

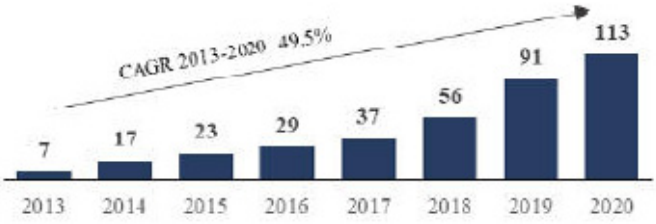
Introduction

As of December 2020, Argentina was the fourth largest crude oil producer and the largest natural gas producer in Latin America, based on BP Statistical Review of World Energy 2020. In terms of hydrocarbons reserves, according to the Argentine Secretariat of Energy, as of December 31, 2019, the country had proved developed and undeveloped (1P) natural gas reserves of approximately 14.1 trillion cubic feet (Tcf) and 2.6 billion barrels of oil (Bnbbl), while total proved, probable and possible reserves (3P) were 26.6 Tcf and 4.2 Bnbbl respectively. Additionally, Argentina is home to the world's fourth largest shale oil prospective resources and second largest shale gas prospective resources, with an estimated of 27 Bnbbl and 802 Tcf, respectively, as of December 31, 2017, and the largest commercially producing play outside North America.

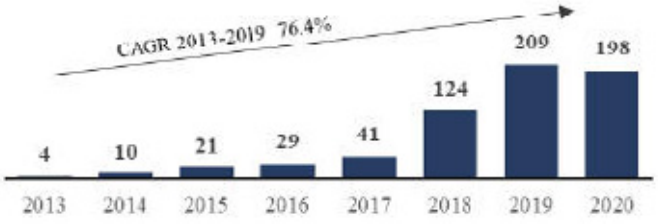
Source: EIA/ARI (2013). World Shale Gas and Shale Oil Resource Assessment, June 2013.

Although the hydrocarbons production in Argentina declined during the years, the emergence of shale resources has transformed the outlook of Argentina, bringing significant investments and therefore changing the outlook. The oil majors have built, and continue to build, exposure, and local players have announced ambitious growth plans. As illustrated in the chart below, shale oil production has increased at an annual rate of 49.5% from 2013 to 2020. Additionally, shale gas production has increased at annual rate of 76.4% from 2013 to 2020, although shale gas production in 2020 decreases by 5.1% compared to 2019.

Average Shale Oil Production 2013—2020 (Mboe/d)



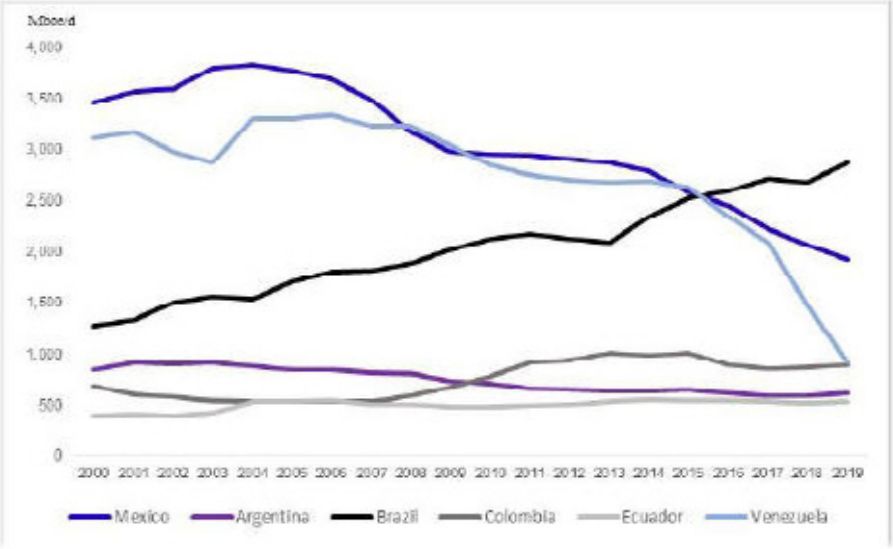
Average Shale Natural Gas Production 2013—2020 (Mboe/d)



Source: Argentine Secretariat of Energy.

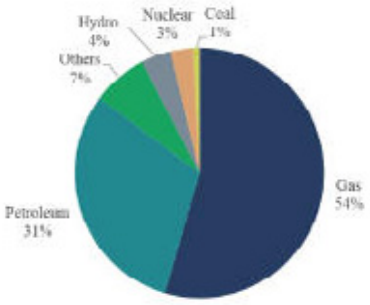
Argentina has a high level of dependence on hydrocarbons as it accounts for approximately 85% of the country's primary energy supply. This dependence on hydrocarbons is greater than that of the region (Latin America and the Caribbean), where oil and gas together represent 67% of the primary energy matrix. The oil and gas industry plays a significant role in the economy of Argentina and the development of the shale play could potentially make a positive impact on the country's balance of trade. Increased domestic oil and gas production would prevent Argentina from relying on expensive imported oil and gas and would drive economic growth.

Annual Oil Production per country:

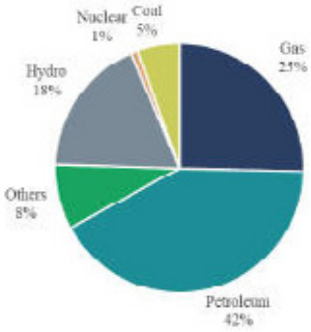


Source: BP's Statistical Review of World Energy.

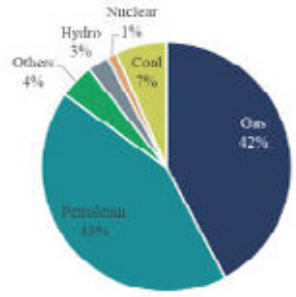
Argentina Primary Energy Mix (%) as of 2019



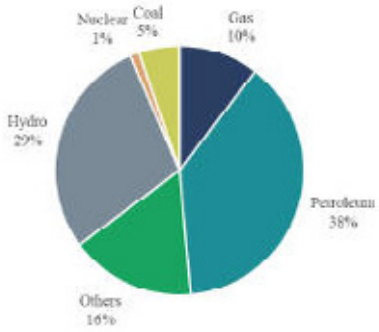
South and Central America and Mexico Primary Energy Mix (%) as of 2019



Mexico Primary Energy Mix (%) as of 2019



Brazil Primary Energy Mix (%) as of 2019



Source: Argentine Secretariat of Energy and BP's Statistical Review of World Energy.

In 2020, domestic gas demand was fulfilled with domestic production and natural gas imports from Bolivia, amounting to 0.19 Tcf (US$ 968.9 million). Additionally, 0.07 Tcf of LNG (US$ 224.5 million) and 290.6 thousand of cubic meters of diesel (US$ 99.7 million) for power generation were imported. Due to the increased production of shale oil and the lower load of the refining complex, it was not necessary to import oil during 2020. However, in 2020, 161.5 thousand cubic meters of naphtha and 1.3 million cubic meters of diesel (US$ 522.9 million) were imported. As a result, energy imports reached US$ 2,640 million, with exports exceeding such amount, reaching US$ 3,593 million, mainly due to crude oil exports. In 2019, domestic gas demand was fulfilled with domestic production and natural gas imports from Bolivia, amounting to 0.18 Tcf (US$1,266 million). Additionally, 0.06 Tcf of LNG (US$428 million) and 152.7 thousand of cubic meters of diesel (US$78 million) for power generation were imported. Due to the increased production of shale oil and the lower load of the refining complex, it was not necessary to import oil during 2019. However, in 2019, 0.5 million of cubic meters of naphtha and 2.1 million cubic meters of diesel (US$1,421 million) were imported. As a result, energy imports reached US$4,446 million, with exports partially offsetting such amount, reaching US$4,374 million, mainly due to heavy crude oil exports.

Argentina Energy Trade Balance 2008—2020 (US$ bn)

Source: Argentine Secretariat of Energy.

Argentina Basins Overview

Argentina's territory includes five oil and gas producing basins: Neuquina, Golfo San Jorge, Cuyana, Noroeste, and Austral with several conventional and unconventional opportunities.

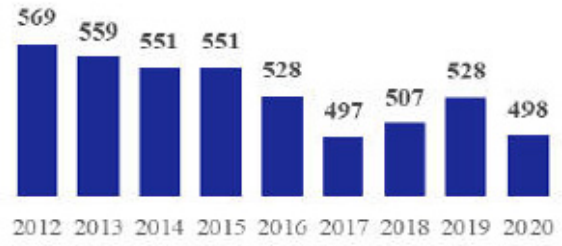
Source: Wood Mackenzie.

The Golfo San Jorge basin is comprised of 83% proved oil reserves, while the Neuquina and Austral basins are comprised of 61% and 91% proved natural gas reserves, respectively. Located in west-central Argentina, the Neuquina basin is amongst the most prolific basins of the country accounting for 48% of total oil and 61% of total gas production.

Oil Exploration and Production Sector

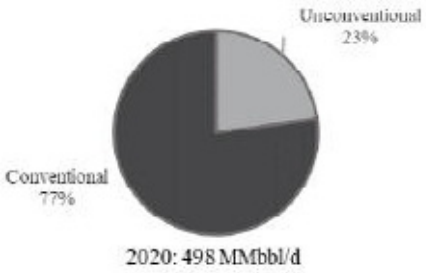
During 2020, oil and condensate production averaged 498 Mbbl/d, 5.6% lower than 2019 average production, mainly impacted by the COVID-19 pandemic, and represented 38% of the national hydrocarbons production. During 2019, oil and condensate production averaged 528 Mbbl/d, 4.0% higher than 2018 average production and represented 37% of the national hydrocarbons production.

Oil Production Evolution (Mbbl/d)



Source: Argentine Secretariat of Energy.

2020 Oil Production Breakdown



Source: Argentine Secretariat of Energy.

During the year ended December 31, 2020, Argentina's main oil producer was YPF with a 45.8% market share, followed by Pan American Energy (21.2%), Pluspetrol (5.2%), Vista (3.6%), Sinopec (3.1%) and Tecpetrol (2.8%).

During the year ended December 31, 2019, Argentina's main oil producer was YPF with a 46.3% market share, followed by Pan American Energy (18.6%), Pluspetrol (5.2%), Sinopec (3.7%), Tecpetrol (3.1%) and Total Austral (2.5%).

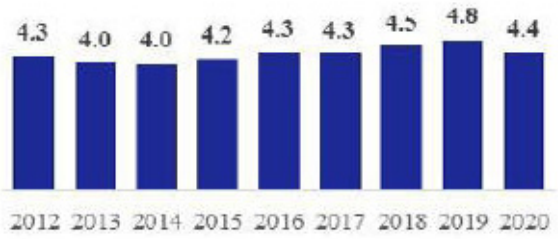
As of December 31, 2019, proved oil reserves totaled 2.4 Bnbbl, with the largest share of proved oil reserves in Golfo San Jorge basin (61%), followed by Neuquina (31%), Cuyana (4%), Austral (3%), and Noroeste (1%).

Source: Argentine Secretariat of Energy – SESCO. Ranking by operator.

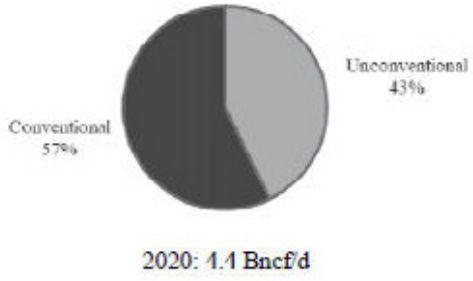
Natural Gas Exploration and Production Sector

During 2020, natural gas production reached 4.4 Bncf/d, 8.9% lower than 2019 production and represented 62% of the national production. During 2019, natural gas production reached 4.8 Bncf/d, 5.0% higher than 2018 production and represented 63% of the national hydrocarbons production.

Natural Gas Production (Bncf/d)



2020 Natural Gas Production Breakdown



Source: Argentine Secretariat of Energy – SESCO. Ranking by operator.

During the year ended December 31, 2020, Argentina's main producer of natural gas was YPF, with a 27.4% market share, followed by Total Austral (26.4%), Tecpetrol (11.1%), Pan American Energy (10.6%), Pampa Energía (4.9%) and Compañía General de Combustibles (4.1%).

During the year ended December 31, 2019, Argentina's main producer of natural gas was YPF, with a 30.5% market share, followed by Total Austral (24.6%), Tecpetrol (12.2%), Pan American Energy (9.7%), Pampa Energía (4.3%) and Compañía General de Combustibles (4.1%).

As of December 31, 2019, proved reserves of natural gas reached 14.1 Tncf. As of December 31, 2019 the basin with the highest concentration of proved reserves of natural gas was the Neuquina basin with 61%, followed by Austral (25%), Golfo San Jorge (11%), and Noroeste (3%).

Source: Argentine Secretariat of Energy.

Demand and Consumption

In 2020, domestic demand of natural gas reached 3.9 Bncf/d. The power generation sector drove demand with 34.9% of the gas consumed in the country, followed by the industrial sector (31.3%), residential (23.6%), and others (10.2%). During 2020, in order to meet the demand for natural gas, 0.19 Tcf of natural gas was imported from Bolivia, 0.07 Tcf of LNG and 291 thousand m^3 of diesel.

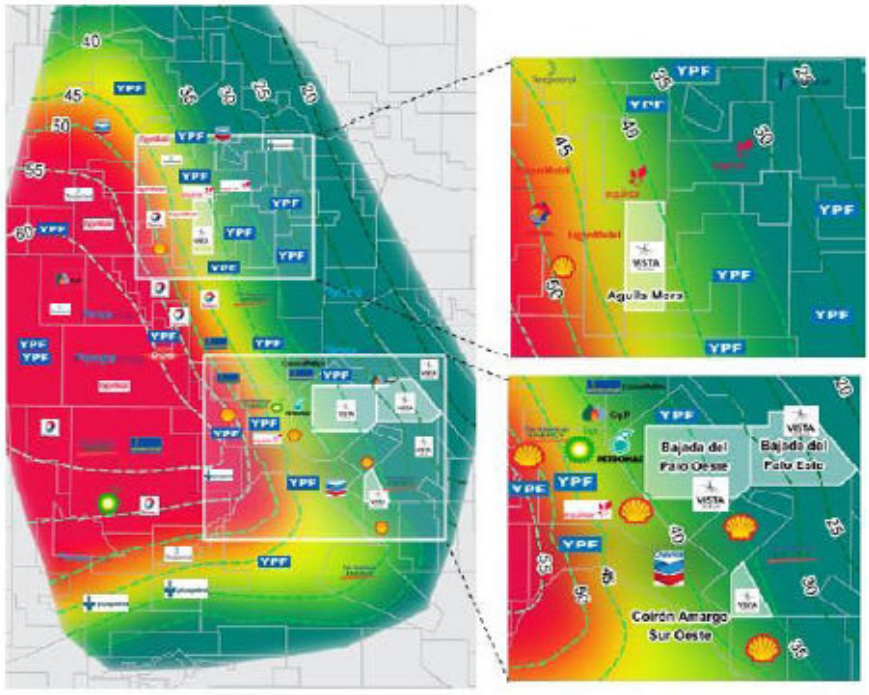
In 2019, domestic demand of natural gas reached 4.2 Bncf/d. The power generation sector drove demand with 34.8% of the gas consumed in the country, followed by the industrial sector (31.7%), residential (21.2%), and others (12.4%). During 2019, in order to meet the demand for natural gas, 0.18 Tcf of natural gas was imported from Bolivia and Chile respectively, 0.06 Tcf of LNG and 152.7 thousand m^3 of diesel.

Vaca Muerta Shale Formation / Shale Potential Overview

The Vaca Muerta formation, located in the Neuquina basin, is considered one of the most prominent shale plays globally, and has already become the largest commercial shale development outside of North America. The development of the Vaca Muerta formation plays an important role in the Argentine economy, and therefore the national and provincial governments have introduced changes to the regulatory framework for exploration and production of unconventional hydrocarbons, in order to attract investments.

Together with the recent reforms to the regulatory framework, significant reductions in well costs and improvements in production rates, Vaca Muerta has already attracted over 30 oil and gas companies, domestic and IOCs, including Chevron, Shell, ExxonMobil, Total, Equinor, Pan American Energy, Petronas, Pluspetrol, Tecpetrol, Dow, YPF, Wintershall, BP, ConocoPhillips and CNOOC. Most of these companies, which hold acreage neighboring our concessions, are already investing in their projects in full development mode, or in some cases are executing project pilot.

Distribution of the Vaca Muerta Formation in the Basin

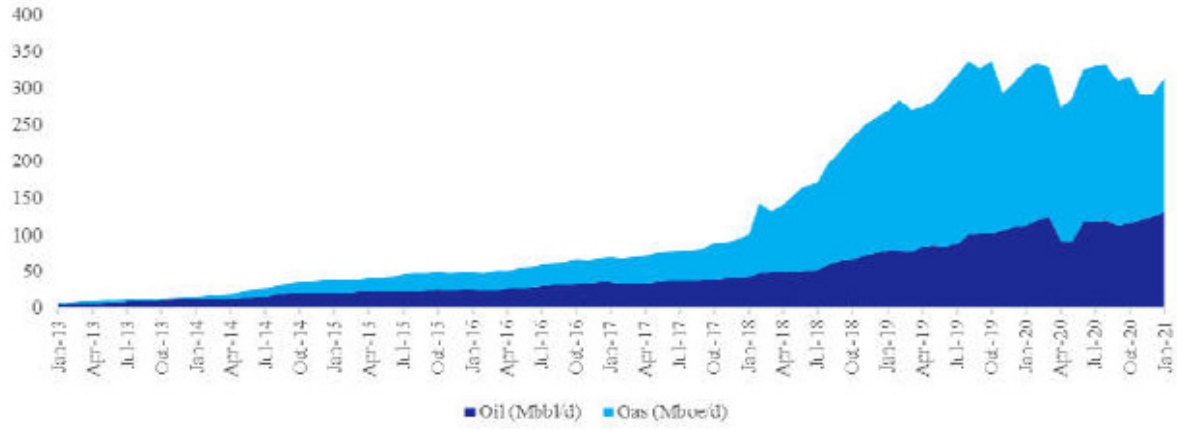


Contour lines numbers denote API degrees

Source: Company's Information and Press Articles

Production from Vaca Muerta reached 313 Mboe/d in January 2021. The shale oil production was mainly driven by Loma Campana, La Amarga Chica, Bajada del Palo Oeste, Bandurria Sur and Sierras Blancas, which contributed with 97.4 Mbbl/d and shale gas production was mainly driven by Fortín de Piedra, Aguada Pichana Este, La Calera, Loma Campana and Rincón del Mangrullo, which contributed with 121.7 Mboe/d.

Gross Shale Oil & Gas Production (Mboe/d)



Source: Argentine Secretariat of Energy.

Vaca Muerta exhibits similar geological properties than several of the most successful shale plays in the United States. The table below sets forth Vaca Muerta's geological characteristics as compared to top tier U.S. onshore plays.

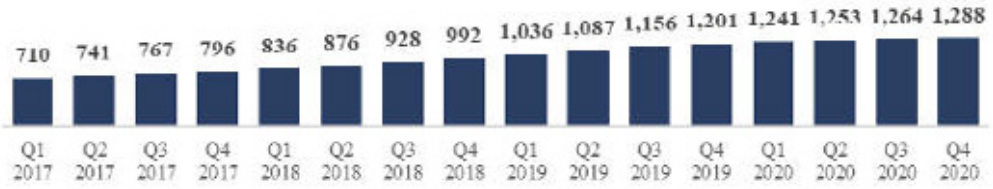
Play	Total Organic Content ("TOC") (%)	Thickness (m)	Reservoir Pressure (psi)
Bajada del Palo Oeste	**4.2**	**250**	**0.9**
Vaca Muerta	**3 – 10**	**30 – 450**	**0.9**
Barnett	4 – 5	60 – 90	0.5
Haynesville	0.5 – 4	60 – 90	0.9
Marcellus	2 – 12	10 – 60	0.6
Eagle Ford	3 – 5	30 – 100	0.5 – 0.9
Wolfcamp (Permian)	3	200 – 300	0.6

Source: Argentine Secretariat of Energy using Wood Mackenzie.

Approximately 90% of the prospective acreage in Vaca Muerta, estimated at more than 8.6 million acres, is concentrated among 12 operators. Most concessions are within the 30,000 to 100,000 acres range, which is significantly larger than the average leasehold in the United States. The terms of concessions in Argentina are also competitive compared to those in the United States, with unconventional concessions of 35 years and flat royalties of 12%.

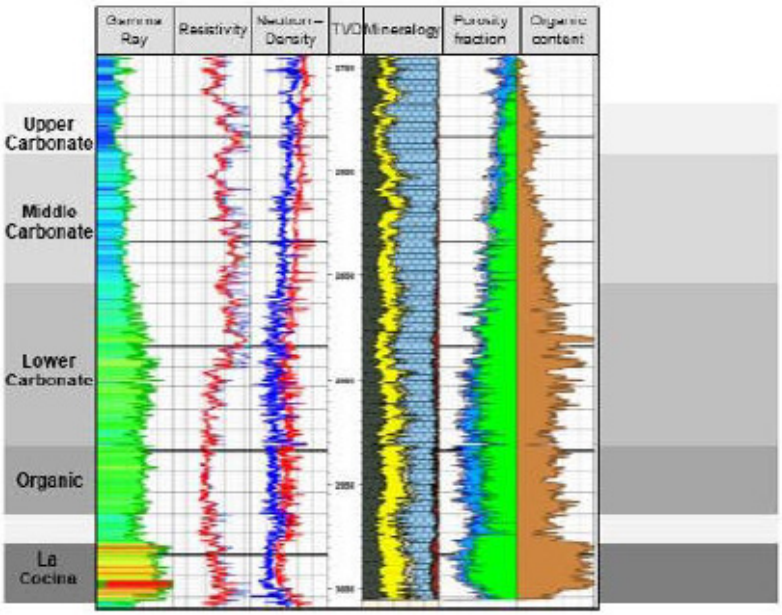
As of January 31, 2021, drilling activity had been historically centered within the Loma Campana concession operated by YPF in partnership with Chevron, with more than 630 wells drilled out of 1,312 total wells drilled in Vaca Muerta. Vaca Muerta continues to evolve with development beginning to spread beyond the historical center of activity to adjacent blocks such as El Orejano, Fortin de Piedra, La Amarga Chica, Aguada Pichana Este, Bajada del Palo Oeste and Bandurria Sur projects, which are ramping up drilling activity with more than 330 producing wells.

Total Completed Shale Well Count 1Q17—4Q20



Vaca Muerta is in a relatively early stage of its development compared to shale plays in the United States and Canada. The Permian basin is a good analogue for Vaca Muerta, with similar geological characteristics and a long history of unconventional hydrocarbon development. However, Vaca Muerta has even more thickness than the Permian, with up to five different pay zones already tested in different blocks of the basin. Operators have drilled around 1,300 wells in Vaca Muerta compared to more than 33,000 in the Permian. It is expected that Vaca Muerta will have a growth trajectory similar to that of the Permian basin or other U.S. shale plays in the coming years. The growing investment in Vaca Muerta by international operators is similar to the early stages of the Permian basin's remarkable growth since 2008, becoming one of the most prolific shale plays in the world.

Stacked Pay Potential Across Multiple Zones



Source: Vista – Image does not represent the whole Vaca Muerta shale play.

Oil Infrastructure Network

The Argentine crude oil pipeline network is shaped like a semi-circle, connecting the principal oil fields in the west with refineries along the east coast of Argentina. Refineries are situated along the outer band of the semi-circle, from Luján de Cuyo in the Cuyo basin and Plaza Huincul in the Neuquina basin in the west through the Puerto Galvan refinery at Bahía Blanca on the east coast and on to the various refineries in the Province of Buenos Aires. Argentina's key crude pipeline is the Oleoductos del Valle S.A. ("Oldelval") system, which runs from Puesto Hernández in the Neuquina basin to Puerto Rosales near the Bahía Blanca complexes via two 14-inch pipelines, transports approximately 70% of the production from the Neuquina basin and has a capacity of approximately 150,000 bbl/d.

Gas Infrastructure Network

Argentina's gas pipeline network contains more than 30,000 km. The high-pressure network is divided into five systems: one main line from the North, three from the West, and one from the South, all of which transport gas to the greater Buenos Aires region.

Source: Argentine Secretariat of Energy.

Activity in Vaca Muerta has leveraged existing infrastructure, but we expect that new construction and upgrades to the existing infrastructure will be undertaken as production increases. For instance, TGS built a 92-km gathering pipeline with 37 MMm³ /d capacity, which can be expanded to 56 MMm³ /d capacity and a conditioning plant to adapt the quality of natural gas before it enters the transport pipelines. The total investment is estimated to be approximately US$800 million with additional expansions planned. Initially, the conditioning plant will have a capacity of 177 MMcf/d but is expandable to up to 2.0 Bncf/d.

Oil and Gas Regulatory Framework in Argentina

Introduction to the Hydrocarbon Market

The Argentine oil and gas industry is regulated by (i) the Hydrocarbons Law No. 17,319 (*Ley de Hidrocarburos*), enacted in 1967, and amended by Law No. 26,197 enacted in 2007 and Law No. 27,007, enacted in 2014, which establish the basic legal framework for the exploration and production of oil and natural gas; and (ii) Law No. 24,076, referred to as the "Natural Gas Law", enacted in 1992, which established the basis for deregulation of natural gas transportation and distribution industries.

In January 2007, Law No. 26,197 acknowledged the provinces' ownership of the hydrocarbon reservoirs in accordance with Article 124 of the Argentine National Constitution (including reservoirs to which concessions were granted prior to 1994) and granted provinces the right to administer such reservoirs.

On October 29, 2014, the Argentine Congress enacted Law No. 27,007, which amended the Hydrocarbons Law in certain aspects mainly relating to the E&P of unconventional hydrocarbons (which were not regulated in the previous Hydrocarbons Law), the extension of the concessions and royalties' rates, as follows:

- Conventional Exploration permits: the term for permits for conventional exploration was divided into two periods of up to three years each plus a discretionary extension of up to five years. Thus, the maximum possible duration of exploration permits was reduced from 14 to 11 years.
- Unconventional exploration permits: the term of permits was divided into two four-year terms, plus a discretionary extension of up to five years, providing for a maximum term of 13 years. In the case of offshore permits, the term was divided in two periods of up to three years and a discretional extension for up to five years (with a discretional extension of one year each period of the initial term), providing for a maximum term of 13 years.
- Concession: the term of conventional exploitation concessions remains at 25 years. For unconventional exploitations, a 35-year term was established, including an initial pilot plan of up to five years. For offshore production, concessions will be granted for periods of up to 30 years. Under the previous Hydrocarbons Law regime, the concessions could be extended only once for a 10-year term. Law No. 27,007 established the possibility to request successive extensions to conventional and unconventional concessions for 10-year periods, under compliance of certain requirements. Even the concessions, which were in force prior the enactment of the new regime and those, which had already been extended once, may be extended again.
- Reservation of areas and the transportation method: Law No. 27,007 eliminated the possibility for the Argentine government and the provinces to reserve areas for the exploitation by public entities or state-owned companies as from the date in which Law No. 27,007 entered into force and effect. However, contracts already executed by said provincial entities or companies for the exploration and development of reserved areas continue to be subject to the regulations in force prior to Law No. 27,007.
- Royalties: the general 12% rate for royalties provided for in the Hydrocarbons Law was maintained. As in the previous regime, the possibility of reducing the rate in exceptional cases up to 5% was also maintained, as well as the possibility of increasing it by 3% upon successive extensions. The new law also introduces a maximum limit to such rate in all cases of 18%. In addition, it provided for the possibility of the grantor to apply a reduced rate of up to 50% for projects (i) of production projects in which enhanced or improved oil recovery techniques are applied, (ii) for extra-heavy oil exploitations and (iii) for offshore exploitations.

Law No. 27,007 provided that the Argentine Executive Branch shall include in the Promotional Investment Regime the direct investment projects that involve investments for an amount of no less than US$250 million in a 3-year period. Before the enactment of Law No. 27,007, the benefits under this regime applied to projects for amounts higher than US$1,000 million in a five-year period.

The benefits under the Investment Promotional Regime will be enjoyed after the third year and shall allow 20% of the project's production to be sold at international market prices for onshore projects, whether conventional or unconventional, and 60% for offshore projects. To qualify as an offshore project, the wells' depth measured between the surface and the seabed must be of at least 90 meters.

Law No. 27,007 also established two contributions payable to the provinces in connection with the projects subject to this Investment Promotional Regime: (i) 2.5% of the initial investment to develop corporate social responsibility projects, payable by the owner of the project and (ii) a contribution, which amount shall be determined by the Commission for the Strategic Coordination and Planning of the National Hydrocarbon Investment Plan ("CPCE"), created by Decree No. 1.277/2012 considering the size and scope of the project, to develop infrastructure projects in the relevant province, payable by the Argentine government.

Law No. 27,007 provides that the Argentine government and the provinces will promote the adoption of uniform fiscal legislation to foster hydrocarbon activities.

Finally, it is important to mention that our Argentine concessions are governed by the laws of Argentina and the resolution of any disputes involving the Argentine government must be sought in the Federal Courts of Argentina, although provincial courts may have jurisdiction over certain matters.

Exploration and Production

The exploration and production of oil and natural gas is carried out through exploration permits and exploitation concessions. Nevertheless, the Hydrocarbons Law permits surface reconnaissance of territories not covered by exploration permits or exploitation concessions. Information obtained through surface reconnaissance must be provided to the office of the corresponding authority, which is prohibited from disclosing such information for a period of two years without the prior authorization of the party that conducted the exploration, except in connection with the granting of exploration permits or exploitation concessions.

In the event that holders of an exploration permit discover commercially exploitable quantities of oil or gas, such holders will be entitled to obtain an exclusive concession for the production and exploitation of the relevant reserves. The exploitation concession provides its holder the exclusive right to produce oil and gas from the area covered by the concession. An exploitation concession also entitles the holder to obtain a transportation concession for transporting of the oil and gas produced.

Under the Hydrocarbons Law, holders of exploration permits and exploitation concessions are required to carry out all necessary works to find or extract hydrocarbons, using appropriate techniques, and to make the investments specified in their respective permits or concessions. In addition, holders must avoid damage to oil and gas fields and hydrocarbon waste, must undertake adequate measures to prevent accidents and damage to agricultural activities, the fishing industry, communications networks and ground water, and must comply with all applicable federal, provincial and local laws and regulations. Failure by the holder of permits or concessions to make the relevant investments or take the measures required to avoid damages entitles the federal or provincial government who granted such permits or concessions may revoke or terminate them early, as applicable. Recently, provincial governments have revoked certain concessions arguing that concessionaires had failed to make the required investment.

Both holders of exploration permits and holders of concessions must pay an annual fee based on the land area covered by the corresponding permit or concession (as provided in Section 7 of the Hydrocarbons Law). Holders of exploitation concessions are required to pay for such concessions, and to make certain royalty payments to the Argentine government. Through Decree No. 771/2020, the Argentine government set forth the current values of the canon to be paid by exploration permit holders and exploitation concessionaires.

The Hydrocarbons Law provides that an exploitation concessionaire, within a certain concession area, may require the subdivision of the existing area into new unconventional hydrocarbon exploitation areas and the granting of a new non-conventional hydrocarbon exploitation concession. Such request must be based on the development of a pilot plan that, in accordance with acceptable technical economic criteria, intends to commercially develop the unconventional reservoir.

The Hydrocarbons Law also indicates that holders of an unconventional hydrocarbon exploitation concession, who in turn are holders of an adjacent and pre-existing exploitation concession to the first, may request the unification of both areas as a single unconventional exploitation concession, provided that the holder demonstrates the geological continuity of these areas. Such request must be based on the development of the pilot plan referred in the paragraph above.

After more than two decades without granting exploration permits in offshore reservoirs, in October 2018, Decree No. 872/2018 was published, ordering the Secretariat of Energy to convene an international public tender for the granting of exploration permits over 38 offshore areas, located in the Argentine territorial sea under federal jurisdiction. In November, 2018, Resolution No. 65/2018 of the Secretariat of Energy was published pursuant to which the Secretariat of Energy called for the mentioned tender and approved the applicable bidding terms and conditions. After passing certain technical and financial tests during the prequalification stage, the interested parties submitted their tenders on April 16, 2019 through a public event attended by various international and public officers of the Secretariat of Energy. The event received bids for 18 of the tendered areas, for approximately US$724 million. Five of these areas received more than one offer, while a single consortium of bidders offered a $5.0 million entry bonus in addition to investments in units of work offered. The award of these areas was published in May 17, 2019 through Resolution No. 276/2019 of the Secretariat of Energy.

Reserves and Resources Certification in Argentina

The estimation of reserves and resources in Argentina is mainly governed by Argentine Secretariat of Energy Resolution No. 324/2006 and Secretariat of Hydrocarbon Resources Resolution No. 69-E/2016. These regulations require holders of exploration permits and exploitation concessions to file by March 31 of each year estimates of natural gas and oil reserves and resources existing as of December 31 of the previous year. Estimates must be certified by an external auditor and sent to the Argentine Secretariat of Energy. Information is required to be presented following the criteria approved by the SPE (Society of Petroleum Engineers), the WPC (World Petroleum Council) and the AAPG (American Association of Petroleum Geologists), which are widely accepted internationally.

Under these regulations "reserves" are those quantities of liquid and gaseous hydrocarbons anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must satisfy four criteria: discovered, recoverable, commercial, and remaining (as of the evaluation's effective date) based on the development project(s) applied.

Additionally, according to the degree of certainty that will be commercially recoverable, reserves are classified as "proved" (which can be developed or undeveloped) and "unproved" (which can be probable or possible). Proved developed reserves are expected to be recovered from existing wells and facilities while proved undeveloped reserves are quantities expected to be recovered through future investments. Moreover, the estimation of "*proved oil and natural gas reserves*" based on Argentine Secretariat of Energy Resolution No. 324/2006 and Secretariat of Hydrocarbon Resources Resolution No. 69-E/2016 may differ from the standards required by SEC's regulations. See "Item 3—Risk Factors—Risks Related to our Business and Industry—The oil and gas reserves that we estimate are based on assumptions that could be inaccurate."

Contingent resources are those quantities of hydrocarbons estimated, as of a given date, to be potentially recoverable from known accumulations with current technical conditions, but the applied project(s) are not yet considered mature enough for commercial development due to uneconomical production or lack of viable market. Prospective resources estimate defined by SPE/WPC as those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from undiscovered accumulations are not required to be filed.

Technical and economic criteria (including expected sale prices, projected investments, evolution of operative, administrative and transport costs, estimated taxes and duties) used to estimate reserves and contingent resources are defined by the operators and subject to control by external auditors, who validate the information submitted to the Argentine Secretariat of Energy for official certification.

The information included in this section of the annual report regarding Argentina's proved reserves has been prepared based on official and publicly available information of the Argentine Secretariat of Energy. References to Argentina's "proved reserves" follow the definition of "proved reserves" as set forth in the guidelines published by the Argentine Secretariat of Energy. However, the information regarding Vista's proved reserves included elsewhere in this annual report has been prepared according to the definitions of Rule 4-10(a) of Regulation S-X or the Society of Petroleum Engineers' Petroleum Resources Management System, which differ from the relevant guidelines published by the Argentine Secretariat of Energy. For illustrative purposes, 2019 (the 2020 proved reserves volumes have already been filed with the Argentine Secretariat of Energy but have not been published on their website yet) proved reserves volumes corresponding to Vista's concessions in Argentina were 101.5 MMboe according to Rule 4-10(a) of Regulation S-X and 103.6 MMboe according to the Argentine Secretariat of Energy.

Transportation

The Hydrocarbons Law grants hydrocarbon producers the right to obtain from the Argentine government a concession for the transportation of oil, gas and their by-products through a public tender process for a period equivalent to the period granted for the exploitation concession linked to the transportation concession. Once the original term and all relevant extensions elapse, the facilities revert to the federal or provincial government, as the case may be.

The term for transport concessions are linked to the equivalent terms for exploitations concessions. As such, the term of a transportation concession may be extended for an additional 10 years upon application to the Argentine government.

The transportation concessionaire has the right to transport oil, gas and refined products and to construct and operate oil pipelines and gas pipelines, storage facilities, pumping stations, compressor plants, roads, railways and other facilities and equipment necessary for the efficient operation of a pipeline system. While the transportation concessionaire is obligated to transport hydrocarbons on a non-discriminatory basis on behalf of third parties for a fee, this obligation applies only if it has surplus capacity available and after such concessionaire's own transportation requirements are satisfied.

Depending on whether gas or crude oil is transported, tariffs are subject to approval by the *Ente Nacional Regulador del Gas in Argentina* (established by Law No. 24, 076) ("ENARGAS") or the Argentine Secretariat of Energy. SE Resolution No. 5/04, as amended, sets forth maximum amounts:

- For tariffs on hydrocarbon transportation through oil pipelines and multiple purpose pipelines, as well as for tariffs on storage, the use of buoys and the handling of liquid hydrocarbons; and
- That may be deducted in connection with crude oil transportation by producers that, as of the date of the regulation, transport their production through their own unregulated pipelines, for the purpose of calculating royalties.

Upon expiration of a transportation concession, ownership of the pipelines and related facilities is transferred to the Argentine government with no compensation to the concessionaire.

On February 7, 2019, the Argentine government issued Decree No. 115/2019, which amends certain relevant provisions of Decree No. 44/1991. Under this regulation, holders of transportation concessions of hydrocarbon products (both existing and new concessions) will have the right to enter into shipping contracts for the providing of transportation services, for prices and volumes to be freely agreed with shippers. Moreover, Decree 115/2019 provides that the capacity that is not engaged or used ("available capacity") will remain subject to "open access" under the Hydrocarbons Law and Decree No. 44/1991. For such available capacity (to be informed annually by holders of concessions), the Argentine Secretariat of Energy will establish the corresponding fee (to be re-established every 5 years). With respect to the expansion of existing pipelines, the Argentine Secretariat of Energy will provide a mechanism for allocating such new capacity under new concessions.

Furthermore, the new regulation authorizes the Argentine Secretariat of Energy to define the terms and conditions to call for public tenders for the granting of transportation concessions based on particular proposals made by investors (which will give such proposing investors a preferred status), or to call for public tenders based on the demand of transportation services (for an initial term of 35 years followed by subsequent 10-year extension periods).

On July 1, 2019, Resolution No. 357/2019 of the Secretariat of Energy approved the terms and conditions of the tender offers to be organized under the above-mentioned Decree on the basis of proposals submitted by those interested in obtaining a transport concession in the terms of Article 46 of the Hydrocarbons Law.

Authorized Governmental Agency

The Undersecretary of Hydrocarbons is the federal governmental agency in charge of enforcing the Hydrocarbons Law. However, the Argentine Executive Branch is in charge of determining areas in which hydrocarbons activities are to be encouraged and, together with provincial governments, the granting of permits and concessions. Pursuant to the Federalization Hydrocarbon Law No. 24.145, each province has the authority to enforce the Hydrocarbons Law within its own territory.

Currently, the execution of the national policy in energy matters is in charge of the Ministry of Economy, pursuant to Decree No. 706/2020, dated August 28, 2020.

Furthermore, by means of Decree No. 732/2020, dated September 4, 2020, the Secretariat of Energy (which used to be within the orbit of the Ministry of Productive Development) was transferred to the Ministry of Economy. The transfer included the Undersecretary of Hydrocarbons. On December 2019, the Decree No. 7/2019 established that the Secretariat of Energy and the Undersecretary of Hydrocarbons are currently under the supervision of the newly created Ministry of Productive Development (*Ministerio de Desarrollo Productivo).*

For purposes of this annual report, "Argentine Secretariat of Energy" or "SdE" means the Argentine *Secretaría de Energía* under the supervision of the Ministry of Economy, and/or any other Argentine federal governmental agency that is in charge of enforcing the Hydrocarbons Law in the future, as applicable.

State Energy Company

On October 2004, the Argentine Congress approved Law 25,943 that created a new state energy company, ENARSA (subsequently renamed as IEASA according to the Decree No. 882/2017). IEASA's objectives are, through third parties or through joint operations with third parties, (i) to study, the exploration and exploitation of natural reserves of hydrocarbons; (ii) the transportation, processing and marketing of hydrocarbons and their derivative products directly or indirectly; (iii) the transportation and distribution of natural gas; and (iv) the generation, transportation, distribution and commercialization of electricity. Likewise, article 2 of Law 25,943 granted IEASA all exploration concessions with respect to all offshore areas located more than 12 nautical miles from the coast, up to the outer limit of the continental shelf, which were vacant when the law was enforced on November 3, 2004. However, that article was later repealed by Article 30 of Law 27,007, which provides for the reversion and transfer of all exploration and concession permits from the national offshore areas to the SdE, for which there were no association agreements signed with IEASA in the framework of Law 25,943. Law 27,007 exempted from said reversion the exploration permits and exploitation concessions existing at the entry into force of the aforementioned law that had been granted prior to Law 25,943. In this way, the offshore areas of Argentina, with the aforementioned caveats, are again under the jurisdiction of the National Government and can be awarded through the mechanisms provided for in the Hydrocarbons Law and other laws that complement it.

In November 2017, the Argentine Executive Branch decreed the merger of ENARSA and EBISA (Emprendimientos Energéticos Binacionales S.A.), the former being the absorbing company, now known as the IEASA (Integración Energética Argentina S.A.).

Equity Requirements

The Hydrocarbons Law requires that, to engage in any oil and gas exploration, production or transportation activity in respect of oil and gas, companies must comply with certain capital requirements and financial solvency standards.

Disposition No. 335/2019 issued by the Undersecretariat of Hydrocarbons, which regulates the solvency required for a company interested in exploring and/or exploiting hydrocarbons areas, sets forth that, in order to receive and maintain permits or concessions, the permit holder or concessionaire must have a minimum net worth amounting to (i) the value in Argentine Pesos of twenty seven thousand (27,000) barrels of oil for on-shore areas and (ii) the value in Argentine Pesos of two hundred and seventy thousand (270,000) barrels of oil, in case of off-shore areas. The price to be considered in order to determine the value of the domestic oil barrel in the internal market will be the average price during the previous year considered. The coefficient for the conversion of m3 to barrels will be 6,2898 and the applicable exchange rate will be the average wholesale exchange rate published by the BCRA pursuant to Communication "A" 3,500 and corresponding to the previous year to the one in which the analysis is made.

Non-compliance with this requirement may result in penalties, including fines or even removal from the register of oil and gas companies. These equity requirements may be satisfied by means of financial or other guarantees.

Crude Oil Market

Resolution No. 1077/2014, issued by the former Ministry of Economy and Public Finances sets forth, for all hydrocarbons listed therein, an international price to be considered (which was to be updated on a monthly basis), a reference Brent and a nominal factor of withholdings and export duties in connection with oil's international price.

The production of crude oil has shown a downward trend in recent years. Therefore, as was the case in the gas market, the Argentine government began searching for tools and regulations that could restart the path to growth. To that effect, the Argentine government created incentive programs, including "Oil Plus Program" (*Petróleo Plus*) and Oil Encouragement Program (*Programa de Estímulo a la Producción de Petróleo Crudo*).

The Solidarity Law (Law No. 27.541) published in the Official Gazette on December 23, 2019, sets forth that the Argentine Executive Branch is entitled to set export duties up to a maximum of 33% of the exported goods until December 31, 2021. The Solidarity Law also established a cap of 8% for the export duties for hydrocarbons and mining products.

The Hydrocarbons Law empowers the National Executive Power to establish a national policy for the development of Argentina's hydrocarbon reserves, with the principal purpose of satisfying domestic demand. The final purchaser of crude oil at the domestic market may be a refinery, a large producer, or a fuel marketer.

On May 19, 2020, the Argentine government issued Decree No. 488/2020, providing, among other measures:

(i) Until December 31, 2020, the base price for crude oil in the local market was set at 45 US$/bbl (using the reference of crude oil "Medanito") to be adjusted for each type of crude oil and port of entry, establishing the price to be applied for the calculation of royalties under the Hydrocarbons Law.

(ii) In addition, the Secretariat of Energy shall oversee the compliance of producers with the Annual Investment Plan required by Section 12 of Annex to Decree No. 1277/12, and shall apply, if necessary, the applicable sanctions.

(iii) As long as these measures were effective, refineries and traders were forced to acquire their demand for crude oil from local producers. In addition, integrated companies, refineries and traders were not allowed to import products that were available for sale or to that could be processed in the local market.

(iv) Export duties were set forth for certain hydrocarbon products: **(i)** 0% rate for export duties in the event that international the price is equal or inferior to the "base value" (US$ 45/bbl), **(ii)** 8% rate for export duties in the event that the international price is equal or superior to the reference value (US$ 60/bbl), and **(iii)** in the case that the international price is higher that the Base Value and lower to the Reference Value, the export duty tax rate shall be determined according to a progressive adjustment formula for the export duty rate from 0 to 8%.

(v) The amounts of the sanctions set forth in Section 97 of the Hydrocarbons Law were set between a minimum equivalent to the value of 22 m3 of national crude oil in the local market and a maximum of 2,200 m3 of the same hydrocarbon, for each infraction.

In addition, Decree No. 488/2020 provided that during the effective term, the producing companies were bounded to maintain the activity and/or production levels registered during 2019, taking into consideration the demand shrinkage of crude oil and its by-products, both in the domestic and international markets, caused by the COVID-19 pandemic, and always within the adequate and economic operation parameters set forth in section 31 of Law No. 17,319. Producing companies needed to applied an identical criteria in relation to sustaining effective contracts with regional service companies and maintaining the same workforce they had as of December 31, 2019, that needed to be carried out within a consensual framework together with workers' organizations in order to jointly achieve working arrangements that improve efficiency, technology and production, in compliance with the best national and international practices in the hydrocarbon activity.

Notwithstanding the above, by the end of August 2020, the price of US$45/bbl set by Decree No. 488/2020 ceased to be in force, since the condition set forth in the Decree No. 488/2020 had been met (i.e., the ICE BRENT FIRST LINE rate was higher than US$45/bbl for 10 consecutive days, considering the average of the last 5 quotations published by the "PLATTS CRUDE MARKETWIRE" under the heading "Futures"). Consequently, crude oil prices were once again governed by supply and demand, without prejudice to the impact of withholdings.

Gas Market

In order to foster the production of natural gas, the Argentine government adopted different programs, including the "Natural Gas Additional Injection Stimulus Program" ("Gas Plan"), Gas Plan II (implemented by means of Resolution No. 60/2013), and the "Stimulus Program for New Natural Gas Projects" (*Programa de Estímulo a los Nuevos Proyectos de Gas Natural*).

In October 2016, Resolution No. 212/2016 of the Argentine Secretariat of Energy established four new Transport System Entering Point (TSEP) prices and a new tariff scheme for users who buy gas from distributors. This resolution also established that until the liberalization of the TSEP prices the Argentine Secretariat of Energy will approve the price every six months (April and October).

By the application of the regulations, the average rates of TSEP for residential users in Argentina (with the exception of la Patagonia, Malargüe and la Puna) should be gradually increased from U$S 3,42/MMBtu as of October 2016 to U$S 6,80/MMBtu as of October 2019.

On the other hand, TSEP prices for la Patagonia, Malargüe and la Puna gradually increased from an average of US$1.29 /MMBtu in October 2016 to US$6,72 /MMBtu in October 2022.

In March 2017, the Program to Stimulate Investments in Natural Gas Production Developments from Non-Conventional Reservoirs was created by Resolution No. 46/2017 with effect until December 31, 2021. This Resolution established a compensation for the volume of non-conventional gas production and was determined by deducting the internal market price from the minimum price stablished by the Resolution for each year. The minimum prices were US$7.5 per MMBtu for 2018, US$7.0 per MMBtu for 2019, US$6.5 per MMBtu for 2020 and US$6.0 per MMBtu for 2021. Resolution 419-E/17 defines the guidelines considered by the former Undersecretariat of Hydrocarbon Resources (currently the Hydrocarbons Subsecretary) to determine the weighted average monthly price by volume of total sales of natural gas in Argentina.

On February 28, 2019, Joint Resolution No. 21/19 of the Finance and Economy Secretariats set forth the issuance, on February 27, 2019, of the "Natural Gas Bonds Program" for an amount up to a face value of US$1,600 million, due on June 28, 2021, to amortize in 29 monthly and consecutive installments. Such payment program provides no interest rate.

On July 24, 2019 the Secretariat of Energy issued Resolution No. 417/2019 which (i) replaced the procedures for obtaining gas export permits established by Resolution No. 104/2018, with a new procedure provided in such Resolution; (ii) entrusted the Undersecretariat of Hydrocarbons and Fuels with: (a) the regulation of energy substitution mechanisms to be used also for exports of natural gas under firm conditions, (b) the development and approval of a natural gas export operating procedure, applicable to natural gas exporters, to be used if domestic supply security is at risk; and (c) grant export permits by issuing the relevant certificate.

Resolution No. 417/2019 was later complemented by Resolution No. 506/2019 issued by the Governmental Secretariat of Energy and Resolution No. 294/2019 issued by the former Ministry of the Treasury. The latter established the operational procedures for natural gas exports, applicable until September 30, 2021.

The increase in the price received by the producers of natural gas, first by "Plan Gas" and, subsequently, by the increase in domestic gas prices, attracted investments in upstream gas projects and reverted the decline in gas production over recent years. This process allowed Argentina to reduce natural gas imports and even export gas volumes in the summer months, when domestic stationary demand is lower. Various reforms of the gas market aimed to regulate

the supply of gas to ensure that the supply of the priority demand is met. This structure is known as the "producers' agreement," dividing demand into the following: (i) priority demand (residential), (ii) compressed natural gas, (iii) industrial and power plants, and (iv) exports. Each segment pays a different price for gas, with the industrial and the export segments being the only segments with freely floating market prices.

Gas Plan 2020-2024 (GasAr Plan)

Recently, by means of Decree No. 892/2020, dated November 13, 2020, the Government implemented the Argentine Plan for the Promotion of Natural Gas Production – Supply and Demand Scheme 2020-2024 ("*Plan de Promoción de la Producción de Gas Natural Argentino – Esquema de Oferta y Demanda 2020-2024*").

The most relevant aspects of the Gas Plan 2020-2024 are:

a. The GasAr Plan was implemented through direct contracts between gas producers, on the one hand, and gas distributors and/or sub-distributors (to satisfy priority demand) and CAMMESA (the Wholesale Electricity Market Administrator, to satisfy demand of thermal power plants), on the other. Such contracts (i) were awarded and negotiated through, and (ii) the price of gas in the point of entry into the transportation system ("PIST" for its acronym in Spanish) arose from, a tender procedure carried out by the Secretariat of Energy, as detailed further below.

b. It shall have an initial duration of four years, which may be extended by the Secretariat of Energy for additional periods of one year each based on its analysis of the gas market, demand volumes and investment possibilities in infrastructure. For off-shore projects, a longer term of up to eight years may be contemplated.

c. Comprises a total volume of 70 mmcm/d for the 365 days of each year in which the GasAr Plan is in place (distributed as follows (i) Austral Basin 20 mmcm/d, (ii) Neuquina Basin 47.2 mmcm/d, and (iii) Northwest Basin 2.8 mmcm/d), and certain additional volumes for the winter seasonal period of each of the four years.

d. Producers had to present an investment plan to reach the committed injection volumes and be bound to achieve a production curve per basin that guarantees the maintenance and/or increase of current levels of production.

e. Participating producing companies may be offered preferential conditions for exports under firm condition for up to a total volume of 11 mmcm/d, to be committed exclusively during the non-winter period. The benefits for exports will apply both to the export of natural gas through pipelines and to its liquefaction in Argentina and subsequent export as LNG.

f. The Argentine government may assume on a monthly basis payment of a portion of the price of natural gas in the PIST, in order to mitigate the impact of the cost of natural gas to be transferred to end users.

g. The Argentine Central Bank established appropriate mechanisms to guarantee the repatriation of direct investments and their respective returns and/or the payment of principal and interest of foreign financings, provided that such funds have been entered into to Argentina through the Argentine Foreign Exchange Market as from the entry into force of the decree, and are used to finance projects under the GasAr Plan.

The Secretariat of Energy is tasked with implementing the plan. The Secretariat is assigned the power to implement a Supply Plan with maximum volume, terms and price references for natural gas in TSEP, applicable to supply agreements between suppliers and demanding agents to be executed within the framework of the plan, and that ensure the free formation and transparency of prices in accordance with Law No. 24.076.

On November 20, 2020, the Secretariat of Energy issued Resolution No. 317/2020, approving the bidding terms for the Public National Tender to award a natural gas volume of 70.000.000 m3 per day, for the 365 days of each calendar year of the GasAr Plan, and an additional volume for each of the winter periods from 2021 to 2024.

On December 1, 2020, the Secretariat of Energy issued Resolution No. 354/2020, setting forth the guidelines for CAMMESA to act within the GasAr Plan.

This resolution also set forth the new maximum prices in the TSEP, for each basin, for natural gas production not comprised in the GasAr Plan.

On December 15, 2020, the Secretariat of Energy issued Resolution No. 391/2020 (amended by Resolution No. 447/2020, dated December 29, 2020), awarding the natural gas volumes within the framework of the GasAr Plan, and approving the natural gas prices in the TSEP for awarded volumes.

On December 29, 2020, the Secretariat of Energy issued Resolution No. 447/2020, modifying certain aspects of Resolution 391/2020. Among other aspects, this resolution established that in order to ensure compliance of payment obligations under the contracts to be executed, the Secretariat of Energy, the distributors and sub-distributors shall deposit in a bank account the sums they perceive –monthly- in concept of gas at the TSEP. These funds shall be exclusively used to pay de natural gas acquired within the framework of contracts executed within the GasAr Plan.

On February 16, 2021 the Secretariat of Energy issued Resolution No. 117/2021, calling for a public hearing to treat the portion of the price of natural gas at TSEP whose payment the federal government will undertake under the GasAr Plan.

On February 20, 2021, given that the volumes of gas awarded under the first tender of the GasAr plan was insufficient to cover the projections for domestic demand for the winter periods 2021, 2022, 2023 and 2024, the Secretariat of Energy issued Resolution No. 129/2021, calling for Round 2 of the public national tender for the GasAr Plan.

On February 20, 2021, by means of Resolution No. 125/2021, the Secretariat of Energy instrumented fiscal credit certificates as guaranties under the GasAr Plan, to back the payment of compensations/incentives in head of the federal government, to be paid to producers. AFIP's General Resolution No. 4939/2021, dated March 3, 2021, approved the procedure for the registration, application and assignment of these certificates.

Through of Resolution No. 144/2021 issued by the Secretariat of Energy, a series of guidelines were set forth to avoid disloyal practices against the GasAr Plan, in matters related to employment and direct provision of goods and services on behalf of small and medium businesses and regional companies.

The Social Solidarity and Productive Reactivation Law

On December 23, 2019, the Government enacted Solidarity Law, declaring a public emergency in economic, financial, fiscal, administrative, pension, tariff, energy, health and social matters. The Solidarity Law establishes that (i) natural gas tariffs under federal jurisdiction will remain unaltered for a term of one hundred eighty (180) days as from December 23, 2019, and (ii) the executive branch is empowered to renegotiate tariffs under federal jurisdiction, either within the framework of the current general tariff reviews or through an extraordinary review, in accordance with Law No. 24,076 (Gas Law). The provinces were also invited to adhere to this policy.

In addition, the Solidarity Law empowered the Argentine Executive Branch to "maintain" natural gas tariffs under federal jurisdiction, renegotiate the integral tariff revision or initiate an extraordinary revision in accordance with Laws No. 24,065 and No. 24,076 for a term of maximum 180 days from the date the law is passed, offering a reduction of the real tariff burden on domestic, commercial and industrial consumers for the year 2020. On June 19, 2020, Decree No. 543/2020 extended the term established in Article 5 of the Social Solidarity Law until the end of 2020. On December 17, 2020, Decree No. 1,020 / 2020 extended the freezing of electricity and natural gas rates for a period of 90 days or until the new transitory rate schedules agreed in the transitory agreements come into effect.

Also, the Solidarity Law entitles the Argentine Executive Branch to intervene in the management of the ENARGAS (*Ente Nacional Regulador del Gas*) and the ENRE. On March 17, 2020, Decree No. 278/2020 was published in the Official Gazette, which provides for the State intervention in ENARGAS until December 31, 2020, which was extended by Decree No. 1,020/2020 until the earlier of (i) December 31, 2021, or (ii) until the end of the renegotiation of the tariff revision provided for by the decree is completed, the earlier of.

Through Decree No. 311/2020, the Argentine Executive Branch established the prohibition for gas service providers (among other services) to suspend or cut off services in case of default or non-payment of up to seven (7) consecutive or alternate invoices, due as from March 1, 2020 (subsequently modified to six (6) invoices). Such measure is applicable with respect to: beneficiaries of the Universal Child Allowance (AUH) and Pregnancy Allowance; beneficiaries of Non-Contributory Pensions who receive gross monthly income not exceeding two (2) times the Minimum Living and Mobile Wage; users registered in the Social Monotax Regime; retirees and pensioners; workers in a relationship of dependency who receive a gross remuneration lower or equal to two (2) Minimum Vital and Mobile Wages; monotax workers registered in a category whose monthly annual income does not exceed two (2) times the Minimum Vital and Mobile Wage; users who receive unemployment insurance; electro-dependents, beneficiaries of Law No. 27,351; users included in the Special Social Security Regime for Employees of Private Homes (Law No. 26,844); exempted from payment of ABL or local taxes of the same nature; Micro, Small and Medium-sized Enterprises (MSMEs), as provided for by Law No. 25,300 affected by the emergency; Cooperatives, Small and Medium-sized Enterprises (SMEs), as provided for by Law No. 25,300. 300 affected in the emergency; Work Cooperatives or Recovered Companies registered in the National Institute Of Associativism And Social Economy (INAES) affected in the emergency; public and private health institutions affected in the emergency; Public Welfare Entities that contribute to the elaboration and distribution of food within the framework of the food emergency. By means of Decree No. 756/2020, this measure was extended until December 31, 2020.

On June 19, 2020, by means of Decree No. 543/2020, the Argentine Executive Branch extended the tariff freeze set forth in the Solidarity Law for an additional 180 days from the expiration of the previous term.

On December 16, 2020, by means of Decree No. 1020/2020 provides for:

(i) the renegotiation of the integral tariff revision in force corresponding to the providers of public utilities of transportation and distribution of electric power and natural gas under federal jurisdiction was initiated, within the framework of the provisions of Article 5 of the Solidarity Law. The term of the renegotiation may not exceed a period of two (2) years from the date of issuance of the referred Decree No. 1020/2020.

(ii) extended the tariff freeze imposed by the Solidarity Law for an additional period of ninety (90) days as from the end of the term set forth in Decree No. 543/2020, or until the new provisional tariff values enter in force, whichever occurs first.

On February 22, 2021, the ENARGAS issued Resolution No. 47/2021, setting a public hearing with the purpose of treating the “Tariff Transition Regime”, pursuant to Decree No. 1020/2020. The public hearing (No. 101) was held on March 16, 2021.

New Investment Promotion Regime for Exports

On April 7, 2021, the Argentine Executive Branch issued Decree N° 234/2021, which established a new investment promotion regime for exports (the “Promotion Regime”), aimed at, among other matters, increasing the export of goods and promoting sustainable economic development. The Ministry of Economy and the Ministry of Productive Development have been appointed as regulatory authorities for the Promotion Regime.

The Promotion Regime provides for the investment in new productive projects in, among others, forestry, mining, hydrocarbon, manufacturing and agro-industrial activities, as well as the expansion of existing business units, that require investment for the purposes of increasing their production. As for commodities such as wheat, wheat flour, corn, soy, and biodiesel, among others, the exports are excluded for the purposes of calculating the benefits. Although the regulators may include and/or exclude activities from the Promotion Regime, the Decree No. 234/2021 states that acquired rights will not be affected.

The requirements to access the Promotion Regime include:

a. Both legal entities and individuals, residents or non-residents may apply

b. Presentation of an “Investment for Exports Project” consisting of a minimum direct investment of one hundred million U.S. Dollars (U$S 100,000,000)

c. Beneficiaries must comply with the terms and conditions of the projects presented and approved by regulators.

d. Individuals and legal entities whose representatives/directors had been convicted for certain offenses with imprisonment and/or disbarment penalties for a certain period of time, (ii) individuals and legal entities that have due and unpaid tax or social security debts, or where imposed the payment of taxes, duties, fines or surcharges by a final judicial or administrative decision in connection with customs, foreign exchange, tax or social security matters, and (iii) persons that had defaulted, without justification, their obligations in connection with other promotion regimes; may not apply to the Promotion Regime.

Upon verification of the relevant requirements, the regulators will approve the project and issue an "Export Investment Certificate" for purposes of accessing the benefits established by the Promotion Regime, which will last for 15 years.

The beneficiaries which participate in the Promotion Regime will be able to apply up to 20% of the foreign currency proceeds obtained from the exports related to the project to (i) the payment of principal and interest of foreign financial or commercial debts, (ii) the payment of dividends and (iii) the repatriation of direct investments of non-residents. However, this benefit cannot exceed an annual maximum equivalent to 25% of the gross amount of foreign currency settled by such beneficiary through the FX Market to finance the development of the project. Exports proceeds will not be considered for this calculation.

The benefits under the Promotion Regime will cease (i) upon the expiration of the term of use, (ii) in certain cases, when the beneficiary does no longer have the capacity to carry out the activity that is the reason of the investment project, as set forth in the applicable regime, or (iii) if the beneficiary defaults its obligations under this Promotion Regime without justification.

Mexico's Oil and Gas Industry Overview

Mexico is the eleventh largest producer of oil in the world and has the fourth largest proved oil reserves in Latin America, after Venezuela, Brazil and Ecuador. Mexico has significant hydrocarbon resources with estimated oil and gas proved developed and undeveloped reserves of 8.1 Bnboe, 3P reserves of 23.1 Bnboe and estimated prospective resources of 112.9 Bnboe, in each case as of January 1, 2020. There exist multiple formations to develop productive fields.

Source: Wood Mackenzie.

The Mexican subsurface has multiple geological plays and provides sizeable opportunities across the risk spectrum, from onshore mature fields to large deep-water projects. While oil and gas reserves are strongly concentrated in Southeast Basin plays, prospective resources are spread across multiple plays across several basins, which could lead to more opportunities for oil and gas participants to access previously untapped reservoirs. Mexico's total oil production has declined from 3.33 MMbbl/d in 2005 to 1.66 MMbbl/d in 2020 due to the decrease in production from the Cantarell field, according to CNH. Nevertheless, there exists opportunities for private operators and Pemex to increase production through the introduction of new technologies for the use and exploitation of fields more technically challenging resources from shallow and deep-water exploration, as well as secondary and tertiary recovery projects in onshore conventional fields and unconventional resource exploration.

Mexican Oil and Gas Reserves as of January 1, 2020
(Bnboe)

Geological basin	Cumulative production	Reserves 1P	Reserves 3P
Southeast	51.0	6.4	14.7
Tampico Misantla	3.8	0.9	5.6
Burgos	2.7	0.2	0.4
Veracruz	0.9	0.5	1.7
Sabinas	0.0	0.0	0.0
Others*	0.3	0.0	0.5
Deepwater	0.0	0.1	0.2
Total Mexico	58.7	8.1	23.1
Total Pemex	58.6	7.2	19.5
Rest of opportunities	0.1	0.9	3.6

* Includes Cinturón Plegado de Chiapas and Plataforma Burro-Picachos

Source: Pemex and CNH.

Although the largest resources are in the offshore and shale plays, substantial potential still exists in onshore conventional reservoirs. According to Mexico Oil and Gas Review, there are approximately 500 mature fields that are currently generating aggregate production of approximately 2,400 Mbbl/d. Mexico's shale resource base is among the largest in the world and is located only a few hundred miles away from the more developed U.S. shale plays with which the formations share many similarities. According to the EIA, technically recoverable shale resources, estimated at 545 Tcf of natural gas and 13.1 Bnbbl of oil, are potentially larger than the country's proven conventional reserves.

Multiple E&P plays across basins

Source: EIA

Private investment opportunities are available across Mexico's energy industry, including oil and gas E&P, the development, the construction and the management of new pipeline capacity and the bolstering of existing capacity, the development and the building of liquids and gas storage and transport facilities and revamping the country's gasoline-station sector, among others, that will require significant amounts of capital.

In addition to these sources of opportunities for private investment, Mexico exhibits significant potential to increase oil production through the wider application of secondary and tertiary techniques, significantly enhancing current recovery factors. For example, a one percentage point increase in recovery factors would represent a volume of approximately 1.6 Bnbbl (equivalent to more than two years of the total oil production of Mexico).

The 2013 Energy Reform

Mexico's energy industry has undergone historic and vital reforms aimed at encouraging growth and modernization that we believe will attract significant private investment in the sector. In 2013, Mexico's government proposed far-reaching constitutional reforms aimed at modernizing the energy industry and increasing access to the country's oil and gas reserves, production capacity and overall supply infrastructure to aid in Mexico's economic growth, increase fiscal revenues and strengthen the federal budget. Furthermore, and relying on the approved constitutional reforms, Mexico's Congress passed secondary economic and technical legislation in August 2014, impacting energy related activities ranging from upstream to downstream activities and from resource exploitation to power generation.

Particularly relevant for Mexico's oil and gas industry, the reforms seek to boost oil and gas exploration and production by allowing private investor participation for the first time in over 75 years and increasing access to technology, expertise, and capital. The regulatory framework adopted by the reforms is considered to have abided by policy best practices and transparency at an international level.

The reforms granted the E&P sector more independence from Pemex. Prior to the reform, the Mexican Constitution stated that Pemex must carry out, by itself, all of the activities of the country related to the oil and gas industry. With the energy reform, the figure of Exploration and Production Agreements (E&P Agreements) of hydrocarbons was incorporated into the Mexican Constitution. The E&P Agreements now allow private companies to participate in the national energy sector, including E&P activities as operators or non-operators, with the ability to report oil and gas reserves in their financial statements. Also, derived from the reform Pemex is allowed to partner with private companies to carry out various activities of the productive chain of the sector, giving Pemex access to much advanced capital, technology and know-how, as well as allowing it to become a more efficient state-owned productive enterprise.

There are three principal means for private entities to invest in Mexico's E&P sector: Pemex farm-outs, E&P services contract migrations, and CNH's bidding rounds.

Hydrocarbon tender rounds

As mentioned above, the energy reform allowed CNH to allocate E&P Agreements. The Mexican Ministry of Energy ("SENER") establishes prequalification requirements for each bidding round, such as the operational, technical, financial, and legal capabilities required, and the bidding process is conducted by a committee of CNH members.

As part of the energy reforms, SENER released a five year (2015 – 2020) hydrocarbon tender plan (the "*Five Year Plan*"). The Five Year Plan was intended to be a blue print of the government's strategy to increase hydrocarbon production, replenish existing reserves and maximize interest from participants in future licensing rounds. The Five Year Plan is considered a fundamental pillar of Mexico's energy policy and one of the key instruments for implementation of the energy reforms. SENER will also seek feedback from industry participants and operators in order to offer the most attractive opportunities.

As of the date of this annual report, the CNH has awarded and executed 112 contracts of exploration and production. Of those, 52 (46.5% %) have been onshore, while approximately 32 (28.5%) have been in shallow waters and 28 (25%) have been in deep waters. In 2020, production reached a total aggregate amount of 19,976 Mbd of oil and 58,058 MMpcd of natural gas.

To date, the Mexican government has successfully completed the first, second and third bidding rounds. One hundred and four blocks were awarded through nine different tenders, 38 in Round 1, 50 in Round 2 and 16 in Round 3. Many reputable international oil and gas companies have been awarded blocks in these rounds, including, among others, Total, Shell, ENI, Petronas, Ecopetrol, Repsol, Murphy, Ophir, Premier, Statoil, DEA, Lukoil, CNOOC, Pan American, Fieldwood and Talos. These represent the first E&P Agreements awarded in Mexico since 1938. During 2020, some of these companies have commenced marginal oil production.

On December 11, 2018, the CNH cancelled the second and third bids for Round 3. This was due to the fact that SENER required the withdrawal of all the blocks that were going to be tendered in order to carry out a greater analysis of the prospects incorporated in the tenders. As of the date of this annual report, the CNH had not published new calls for bids and had not released the yearly update of the Five-Year Plan. Further, during a press conference held on January 24, 2020 the head of SENER stated that hydrocarbon tender rounds and farm-outs are not currently a part of the Federal Government's plans to increase oil production.

Farm-outs

Farm-outs are a mechanism by which a license holder to an energy resource assigns an interest in the license to another party. Pemex is using farm-outs to partner with international E&P operators with the financial resources and expertise to accelerate development and extract value from its extensive hydrocarbon asset base. The first farm-out contract was assigned in December 2016 to BHP Billiton, resulting in a partnership with Pemex to develop the Trion deep-water oilfield in the Perdido area.

In its 2017-2021 business plan, Pemex unveiled an aggressive farm-out program aimed at attracting new private sector partners. The farm-out projects include opportunities in onshore, shallow water and deep-water fields. Some of these fields are already in the production phase and represent over 1,000 square kilometers and 4,139 MMboe of Mexico's 3P reserves. Pemex estimates that these assets will require over US$40 billion to develop. Pemex hopes to increase production in its fields by 15% through these farm-out agreements, according to Pemex's *Plan de Negocios 2017-2021*.

The first farm-out agreement for the Trion field was executed in March 2017 by Pemex and BHP Billiton. In March 2017, the CNH, began a tender process for the second production sharing agreement with Pemex in the shallow waters of the Ayín-Batsil fields in the Gulf of Mexico and, in September of the same year, the process for the farm-out in the deep water gas Nobilis Maximino field initiated. The first tender was declared null and the other process was canceled in December. In October 2017, two partnership processes were finalized in the Cárdenas Mora (3P reserves: 93.19MMboe) and Ogarrio (3P reserves: 53.97MMboe) fields. The farm-outs were awarded to Cheiron Holding Limited and DEA Deutsche Erdoel AG, respectively.

In April 2018, CNH published the tender CNH-A6-7 Associations/2018, to partner with Pemex through a "farm-out" for the extraction of oil in a group of fields in the Mexican states of Veracruz, Tabasco and Chiapas; however, on June 13, 2019 CNH canceled such tender, due to the fact that all fields were withdrawn as consequence of Pemex's forfeit of the migration processes that gave rise to the tender. During a press conference held on January 24, 2020 the head of SENER stated that hydrocarbon tender rounds and farm-outs are not currently a part of the Federal Government's plans to increase oil production.

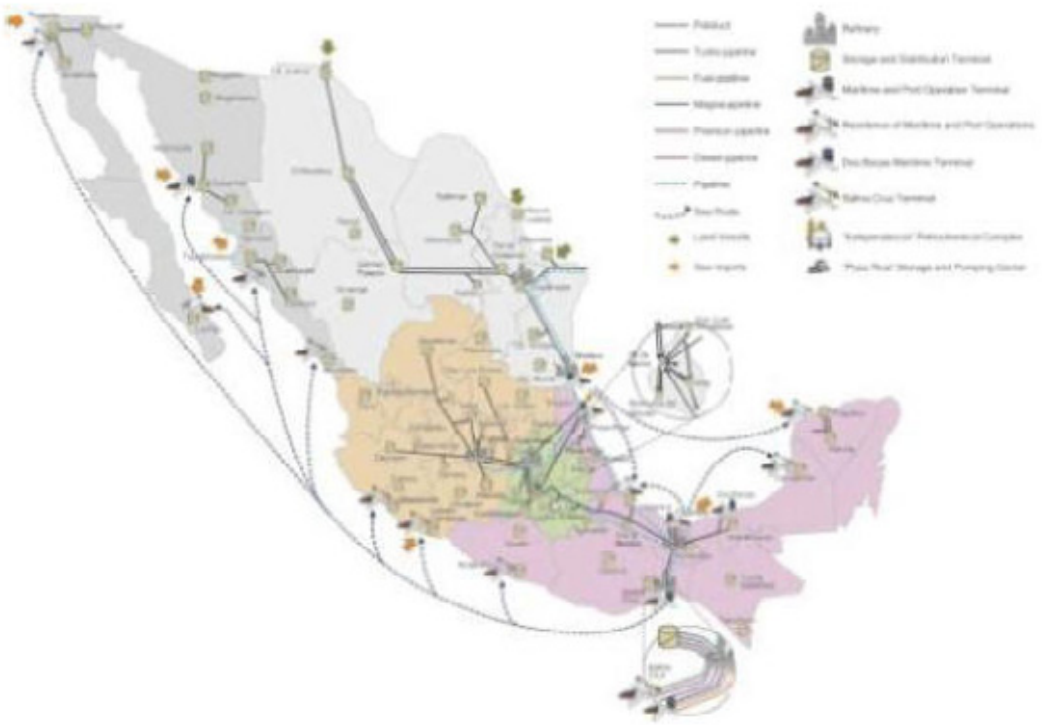
E&P Services Contract Migration

The energy reform also provides for Pemex to migrate existing oil and gas integrated E&P services contracts to production sharing agreements or licenses, as a means to continue boosting investment in the E&P sector. These contracts were signed by Pemex and private companies prior to the energy reform and were known as *Contratos Integrales de Exploración y Producción* and *Contratos de Obra Pública Financiada* contracts. With the newly enacted regulatory regime, it is expected that these services contracts will migrate into E&P services contracts, transforming the relationship with Pemex from a service contractor into a joint venture. Pemex has identified a total of 22 service contracts which it plans to migrate in two separate blocks. The contract migration process began in 2015 and as of the date of this annual report 5 integrated E&P services contracts have been successfully migrated to production sharing agreements or licenses.

Oil and Gas Services Sector

Despite the growing demand for refined products throughout the country, Mexico lacks efficient transportation, distribution and storage infrastructure for liquid petroleum products. While trucks and ships continue to provide a significant percentage of refined petroleum transportation, there are increasing opportunities to provide more efficient transportation to reach growing demand at consumption centers. According to the Ministry of Energy Oil and Refined Products Compendium 2019, during 2019, demand of liquid petroleum products increased 3.2% as compared to 2016, representing a potential investment opportunity in liquid petroleum transportation and storage infrastructure.

The following map shows potential projects with the objective of improving existing infrastructure and developing new infrastructure for the refined products sector.



Source: SENER, Mexican Energy Regulatory Commission and Pemex, 2015

Oil and Gas Regulatory Framework in Mexico

Upstream and Downstream

On December 21, 2013, a decree amending several articles of the Mexican Constitution was enacted, by means of which Articles 25, 27, and 28 of the Mexican Constitution were amended leading to the opening of the oil, natural gas, and power sectors to private investment.

In August of 2014, Congress passed secondary laws to implement the reforms. The reforms allow the Mexican government to grant contracts to private-sector entities in the upstream sector through public tenders. These amendments also allow private-sector entities to obtain permits for the processing, refining, marketing, transportation, storage, import and export of hydrocarbons, including the processing, compression, liquefaction, regasification, transportation, distribution, marketing and retail of natural gas, the transportation, storage, distribution, marketing and retail of oil products, including NGL, and the transportation (through pipelines) and related storage of petrochemicals, including ethane.

The legislation enacted in 2014 includes the Mexican Hydrocarbons Law (*Ley de Hidrocarburos*), which preserves the concept of state ownership over hydrocarbons while located in the subsoil but allows private companies to take ownership over the hydrocarbons once they are extracted. The Mexican Hydrocarbons Law allows private-sector entities holding a permit granted by the Mexican Energy Regulatory Commission to store, transport, distribute, commercialize and carry out direct sales of hydrocarbons, as well as to own and operate pipelines and liquefaction, regasification, compression and de- compression stations or terminals, and related equipment in accordance with technical and other regulations. In addition, private-sector entities may import or export hydrocarbons subject to a permit from the SENER.

Permits granted prior to the enactment of the Mexican Hydrocarbons Law, including their general terms and conditions, will remain in force during their original term, and rights held by permit-holders will not be affected by the new laws and regulations. However, new permits, such as marketing permits granted by the Mexican Energy Regulatory Commission and import and export permits granted by the SENER are required. Additionally, legislation requires that oil companies make small percentage payments to landowners for any oil or gas extracted on their property. It also increased the amount of oil revenue that is to be transferred to local and state governments.

Additionally, on March 26, 2021, President López Obrador, introduced a bill of reform to amend the Hydrocarbons Law (*Ley de Hidrocarburos*) to the Chamber of Deputies. In general terms, the bill intends to affect the permit regime currently set forth in the Hydrocarbons Law, by granting greater powers to the Ministry of Energy (SENER) and the CRE to grant, review and revoke the different permits contemplated in the Hydrocarbons Law. The main objectives of the bill include, among others, are: (i) the fulfillment of the public policy of minimum storage of petroleum products; (ii) increasing the regulation of the revocation of existing permits; (iii) combating fuel theft (illegal bunkering); and (iv) allowing for the suspension of permits in the event of a national security issue.

Moreover, the bill attempts to wrestle back public control of Mexico's fuel sales sector. We anticipate that the bill will likely have a greater impact on entities in the downstream and midstream segments. The amendments introduced by the bill may potentially affect all kinds of permits, indistinctly, resulting in SENER and CRE having the ability to: (i) revoke, suspend or intervene, export and commercialization permits of hydrocarbons; (ii) liquefaction, transportation and storage of natural gas, oil or petroleum products; and (iii) import, commercialization, distribution and retail of petroleum products.

While the bill, in principle, does not seem to affect the activities of hydrocarbons exploration and production under our E&P license contracts, it is important to note that, given the broad authority granted to the CRE and SENER, the bill may potentially impact our sale of crude oil and natural gas, as such activity is executed through our commercialization permit granted by the CRE (and may indirectly affect the development of our E&P activities under our license contracts).

The bill is expected to be passed by the Mexican Senate before the end of the current legislative period on April 30, 2021.The bill's entry into force is subject to discussion and approval by the Mexican Congress and, if applicable, its subsequent publication in the Official Gazette of Mexico.

Reserves and Resources Certification in Mexico

On August 13, 2015, Mexico's National Hydrocarbons Commission (CNH) published a set of guidelines (the "CNH Guidelines") that governs the valuation and certification of Mexico's reserves and the related contingency resources. The CNH Guidelines follow the same SPE/WPC/AAPG international standards as those described with respect to the reserves and resources certification process in Argentina (see "Item 4—Information on the Company—History and Development of the Company—Industry and Regulatory Overview—Oil and Gas Regulatory Framework in Argentina—Reserves and Resources Certification in Argentina"). Therefore, the processes for reserves classification and certification in Mexico are similar to those described with respect to Argentina.

Economic valuation criteria established by the CNH for proved reserves also follow the U.S. Securities and Exchange Commission's definitions in Rule 4-10(a) of Regulation S-X which establishes that selling prices considered shall be the average price during the 12-month period prior to the ending date of the period covered by the report, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period.

Regulatory Entities

For midstream and downstream activities, including oil refining and natural gas processing, the Hydrocarbons Law establishes a permit regime that is granted by the SENER and the Energy Regulatory Commission (*Comisión Reguladora de Energía* or "CRE"), as applicable. The Hydrocarbons Law also sets forth the process by which entities may apply for these permits.

The SENER is responsible for developing the country's upstream policy, including the determination of which areas will be made available through public bidding. They decide the bidding schedule and the contract models that are to apply. Additionally, they approve all non-fiscal terms of the contract. The Ministry of Finance (SHCP) approves all fiscal terms that apply to the contracts. The Ministry of Finance also participates in audits.

The CNH conducts the bidding rounds that award contracts to oil companies and consortiums of companies. They interface with Pemex and private companies and manage all E&P contracts. Permits for the transportation, storage, distribution, compression, liquefaction, decompression, regasification, marketing, and sale of crude oil, oil products, and natural gas are granted by the CRE.

The National Agency for Industrial Safety and Environment Production is a new agency created by the energy reforms. This agency regulates all safety and environmental concerns. The National Natural Gas Control Center ("CENEGAS") is another recently-created federal agency. It is responsible for managing the system for gas distribution and storage, a task that previously belonged to Pemex.

The Mexican Federal Economic Competition Commission ("COFECE") is an independent body of the Mexican government that has joint jurisdiction in the activities of natural gas, NGL, oil products and ethane concerning the prevention of, and enforcement against, monopolistic practices and economic concentrations. With the approval of COFECE, the Mexican Energy Regulatory Commission may issue new regulations to develop competitive markets in the hydrocarbons sector, which may include bundling restrictions, shareholder limitations, and caps in economic operators' participation in marketing activities.

State Oil Company

As a result of the energy reform, Pemex was transformed from a decentralized public entity into a productive state-owned company on October 7, 2014—the day on which the new Pemex Law took effect, with the exception of certain provisions. As a productive state-owned company, Pemex remains wholly owned by the Mexican government and has the corporate purpose of generating economic value and increasing the income of the Mexican nation subject to principles of equity, as well as social and environmental responsibility.

Transportation

Before the energy reform, Pemex had exclusivity on certain activities such as processing, storage, transportation, distribution and marketing of petroleum products. The energy reform allows private sector participation in the construction and operation of oil products storage and transportation facilities.

The development of midstream and downstream natural gas activities, NGL, ethane and other oil derivatives are subject to the provisions of the Mexican Hydrocarbons Law, the Mexican Energy Sector Coordinated Regulatory Agencies Law (*Ley de los Órganos Reguladores Coordinados en Materia Energética*), the Mexican National Agency for Industrial Safety and Protection of the Environment of the Hydrocarbons Sector Law (*Ley de la Agencia Nacional de Seguridad Industrial y de Protección al Medio Ambiente del Sector Hidrocarburos*), the Mexican Hydrocarbon General Regulations, the Regulations Relating to the Activities Specified in Title Three of the Mexican Hydrocarbons Law and applicable environmental and safety regulations. Directives and General Rules (*Disposiciones Administrativas de Carácter General*) issued by the Mexican energy and environmental authorities, Mexican Official Standards (*Normas Oficiales Mexicanas*) and terms and conditions set forth in related permits also regulate our activities. See "Item 3—Key Information—Risk Factors—Risks Related to our Business and Industry— Our operations are subject to extensive regulation in the countries in which we operate."

Building and operating natural gas, LNG, NGL, ethane and oil products storage facilities, pipelines and distribution systems require governmental permits and authorizations from federal, local and municipal authorities, such as the Mexican Energy Regulatory Commission, the Mexican Federal Economic Competition Commission, SEMARNAT, ASEA and the SENER, real estate rights-of-way, and other related authorizations. Permits issued by the Mexican Energy Regulatory Commission also impose a series of regulatory obligations and specific terms and conditions commonly referred to as "general terms and conditions" (*Términos y Condiciones Generales*).

Market Regulations

In the past, the Mexican government has imposed price controls on the sales of natural gas, NGL, gasoline, diesel, gas oil intended for domestic use, fuel oil and other products. In accordance with the 2017 Federal Revenue Law *(Ley de Ingresos de la Federación para el Ejercicio Fiscal de 2017*), during 2017 the Mexican government gradually removed price controls on gasoline and diesel as part of the liberalization of fuel prices in Mexico. To date, sale prices of gasoline and diesel have been fully liberalized and are determined by the free market.

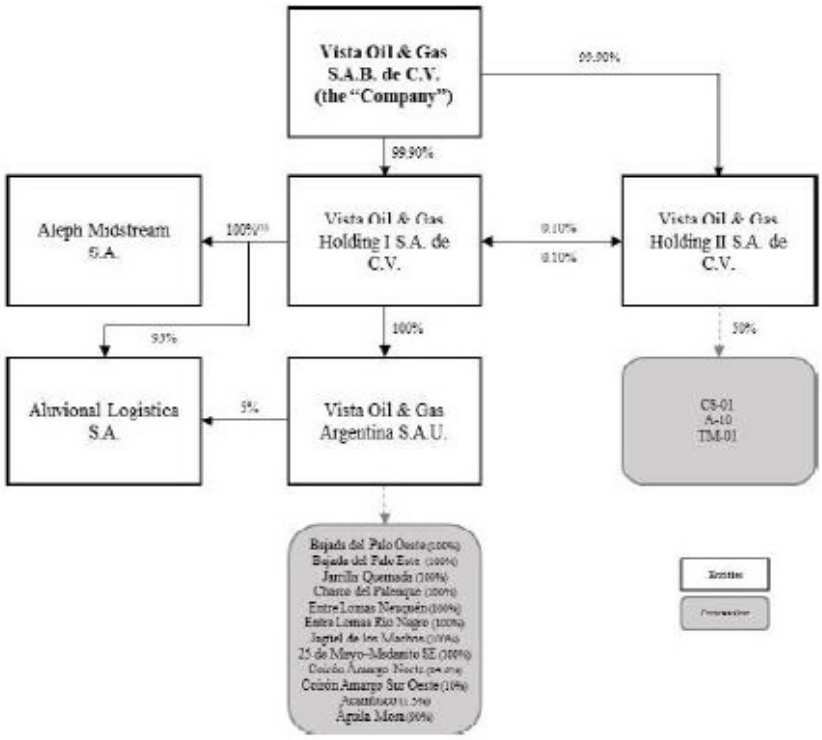
Federal Environmental Law

The Mexican Federal Environmental Liability Law *(Ley Federal de Responsabilidad Ambiental*) enacted on July 7, 2013 regulates environmental liability arising from damages to the environment including remediation and compensation. In the event of intentional and unlawful action or inaction, the responsible party will be fined up to approximately 48 million Mexican Pesos for 2017. This liability regime is independent from administrative, civil or criminal liability regimes, which may be applicable depending on the performed conduct.

Environmental liability may be attributed to an entity for conduct carried out by its representatives, managers, directors, employees, or officers who are directly involved in operations. The statute of limitations to claim environmental liability is twelve years from the date of the environmental damage. The law allows the interested parties to solve disputes by means of alternative dispute resolution mechanisms, provided that public interest or third party rights are not affected.

ITEM 4C. ORGANIZATIONAL STRUCTURE

The following diagram shows our main subsidiaries as of the date of this annual report:



(1) Vista Oil & Gas Holding I, S.A. de C.V. holds a 0.27% direct interest in Aleph Midstream. The remaining 99.73% interest is held through wholly-owned legal entities.

ITEM 4D. PROPERTY, PLANT AND EQUIPMENT

We have freehold and leasehold interests, but there is no specific interest that is individually material to us. The majority of our property, consisting of oil and gas reserves, oil and gas wells and corporate office buildings are located in Argentina. In each of the countries in which we operate, the state is the exclusive owner of all hydrocarbon resources located in such country and has full authority to determine the rights, royalties or compensation to be paid by private investors for the exploration or production of any hydrocarbon reserves. In Argentina, the Argentine Republic grants such rights through exploitation concessions. In Mexico, the Mexican State performs E&P activities through entitlements, granted to productive state-owned companies, or by granting productive state-owned companies or private entities, individually or under a consortium, exploration and extraction agreements. Entitlements and exploration and extraction agreements have different regulatory schemes. Entitlements can only be granted to productive state-owned companies (in Mexico, only PEMEX), and are assigned directly by the Mexican government. In contrast, exploration and extraction agreements are granted through public and competitive bidding processes held by CNH.

We are subject to several environmental laws and regulations promulgated by local and federal governments in Argentina and Mexico which may affect the utilization of the assets. In addition, other environmental issues may influence the Company's use of property, plant and equipment. See "Item 3—Key Information—Risk Factors—Risks Related to our Business and Industry— The oil and gas industry is subject to particular operational and economic risks" and "Item 4—Information on the Company—Business— Sustainability Matters".

ITEM 4A. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

This section contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those discussed in the forward-looking statements as a result of various factors, including, without limitation, those set forth in "Forward-Looking Statements" and "Item 3—Key Information—Risk Factors" and the matters set forth in this annual report generally.

The following discussion is based on, and should be read in conjunction with our Audited Financial Statements and related notes contained in this annual report.

ITEM 5A. OPERATING RESULTS

The following table presents our selected financial data as of and for each of the years in the three-year period ended December 31, 2020. Our historical results for any prior period do not necessarily indicate results to be expected for any future period.

The selected consolidated statement of comprehensive income for the years ended December 31, 2020, 2019 and 2018 and the selected consolidated statement of financial position as of December 31, 2020, 2019 and 2018, have been prepared in accordance with IFRS as issued by the IASB and have been derived from our Audited Financial Statements included elsewhere in this annual report.

Our results of operations for the fiscal years 2020, 2019 and for the 2018 Successor Period, are not directly comparable to our results of operations for the 2018 Predecessor Period due to the effects of the Initial Business Combination. For further information, see "Item 5—Operating and Financial Review and Prospects—Operating results—Note Regarding Comparability of Our Results of Operations."

In addition, effective January 1, 2019, we adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application on January 1, 2019. Under this method, the standard is applied with the cumulative effect of initially applying the standard recognized at the date of initial application. Accordingly, certain comparisons for the above mentioned new accounting standard may be affected.

We qualify as an "emerging growth company" pursuant to the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. We have elected to adopt certain of the reduced disclosure requirements available to emerging growth companies.

All of the summary financial information included in the following tables is denominated in U.S. Dollars. The financial data that has been derived from our Audited Financial Statements was prepared in accordance with IFRS. For further information, see "Presentation of Information—Financial Statements and Information."

You should read the information below in conjunction with our Audited Financial Statements, including the notes thereto, as well as the sections "Presentation of Financial Information".

	Successor			Predecessor
	For the year ended December 31, 2020	For the year ended December 31, 2019	For the period from April 4, 2018 through December 31, 2018	For the period from January 1, 2018 through April 3, 2018
	(in thousands of US$)			
Revenue from contract with customers	273,938	415,976	331,336	44,463
Cost of sales:				
Operating expenses	(88,018)	(114,431)	(86,245)	(18,367)
Crude oil stock fluctuation	3,095	310	(1,241)	733
Depreciation, depletion and amortization	(147,674)	(153,001)	(74,772)	(14,194)
Royalties	(38,908)	(61,008)	(50,323)	(6,795)
Gross profit	**2,433**	87,846	118,755	5,840
Selling expenses	(24,023)	(27,138)	(21,341)	(3,091)
General and administrative expenses	(33,918)	(42,400)	(24,202)	(1,466)
Exploration expenses	(646)	(676)	(637)	(134)
Other operating income	5,573	3,165	2,699	1,240
Other operating expenses	(4,989)	(6,180)	(18,097)	(135)
Impairment of long-lived assets	(14,438)	—	—	—
Operating profit	**(70,008)**	14,617	57,177	2,254
Interest income	822	3,770	2,532	239
Interest expense	(47,923)	(34,163)	(15,746)	(23)
Other financial results	4,247	(715)	(22,920)	(1,159)
Financial results, net	**(42,854)**	(31,108)	(36,134)	(943)
(Loss)/Profit before income tax	**(112,862)**	(16,491)	21,043	1,311
Current income tax (expense)	(184)	(1,886)	(35,450)	(4,615)
Deferred income tax (expense) / benefit	10,297	(14,346)	(11,975)	(3,345)
Income tax benefit / (expense)	**10,113**	(16,232)	(47,425)	(7,960)
Net (loss) for the year/period	**(102,749)**	(32,723)	(26,382)	(6,649)
Other comprehensive income				
Other comprehensive that will not be reclassified to profit or loss in subsequent periods				
—Remeasurements profit/(loss) related to defined benefits plans	460	(1,577)	(3,565)	(89)
- Deferred income tax (expense) / benefit	(114)	394	891	22
Other comprehensive that will not be reclassified to profit or loss in subsequent periods	346	(1,183)	(2,674)	(67)
Other comprehensive (loss) for the year/period, net of tax	346	(1,183)	(2,674)	(67)
Total comprehensive (loss)/profit for the year/period	(102,403)	(33,906)	(29,056)	(6,716)
(Losses)/Earnings per share attributable to equity holders of the parent				
Basic and Diluted (In U.S. dollars per share):	(1.175)	(0.409)	(0.375)	(0.070)
Other financial information				
Adjusted EBITDA[(1)]	95,607	170,862	146,347	16,966
Adjusted EBITDA margin[(2)]	0.35	0.41	0.44	0.38

(1) We calculate Adjusted EBITDA as profit (loss) for the period / year plus income tax expense, financial results, net, depreciation, depletion and amortization, transaction costs related to business combinations, restructuring and reorganization expenses and impairment (recovery) of property, plant and equipment. We present Adjusted EBITDA because we believe it provides investors with a supplemental measure of the financial performance of our core operations that facilitates period to period comparisons on a consistent basis. Our management uses Adjusted EBITDA, among other measures, for internal planning and performance measurement purposes. Adjusted EBITDA is not a measure of liquidity or operating performance under IFRS and should not be construed as an alternative to net profit, operating profit, or cash flow provided by operating activities (in each case, as determined in accordance with IFRS). Adjusted EBITDA, as calculated by us, may not be comparable to similarly titled measures reported by other companies.

(2) We calculate Adjusted EBITDA margin by dividing Adjusted EBITDA by revenues from contracts with customers.

The following table sets forth the reconciliation of Adjusted EBITDA, Adjusted EBITDA Margin and Net Debt:

	Successor			Predecessor
	For the year ended December 31, 2020	For the year ended December 31, 2019	For the period from April 4, 2018 to December 31, 2018	For the period from January 1, 2018 to April 3, 2018
Net (Loss) Profit for the period/year	(102,749)	(32,723)	(26,382)	(6,649)
Income tax expense	(10,113)	16,232	47,425	7,960
Financial results, net	42,854	31,108	36,134	943
Depreciation, depletion and amortization	147,674	153,001	74,772	14,712
Transaction costs related to business combinations	—	—	2,380	—
Restructuring and reorganization expenses	4,886	3,244	12,018	—
Bargain purchase on business combination	(1,383)	—	—	—
Impairment recovery of property, plant and equipment	14,438	—	—	—
Adjusted EBITDA	**95,607**	**170,862**	**146,347**	**16,966**
Revenue from contracts with customers	273,938	415,976	331,336	44,463
Adjusted EBITDA margin	**0.35**	**0.41**	**0.44**	**0.38**

	As of December 31, 2020	As of December 31, 2019	As of December 31, 2018
	(in thousands of US$)		
Current and non-current borrowings	539,786	451,413	304,767
Cash, bank balances and other short term investments	202,947	260,028	80,908
Net Debt	**336,839**	**191,385**	**191,385**

Selected Consolidated Statement of Financial Position

	Successor		
	As of December 31, 2020	As of December 31, 2019	As of December 31, 2018
Assets			
Non-current assets			
Property, plant and equipment	1,002,258	917,066	820,722
Goodwill	28,484	28,484	28,484
Other intangible assets	21,081	34,029	31,600
Right-of-use-assets	22,578	16,624	—
Trade and other receivables	29,810	15,883	20,191
Deferred income tax	565	476	—
Total non-current assets	**1,104,776**	**1,012,562**	**900,997**
Current assets			
Inventories	13,870	19,106	18,187
Trade and other receivables	51,019	93,437	86,050
Cash, bank balances and other short-term investments	202,947	260,028	80,908
Total current assets	**267,836**	**372,571**	**185,145**
Total assets	**1,372,612**	**1,385,133**	**1,086,142**
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	659,400	659,399	513,255
Share-based payment reserve	23,046	15,842	4,021
Accumulated other comprehensive loss	(3,511)	(3,857)	(2,674)
Accumulated loss	(170,417)	(67,668)	(34,945)
Total shareholders' equity	**508,518**	**603,716**	**479,657**
Liabilities			
Non-current liabilities			
Deferred income tax liabilities	135,567	147,019	133,757
Leases liabilities	17,498	9,372	—
Provisions	23,909	21,146	16,186
Borrowings	349,559	389,096	294,415
Warrants	362	16,860	23,700
Employee defined benefit plans obligation	3,461	4,469	3,302
Accounts payable and accrued liabilities	—	419	1,007
Total non-current liabilities	**530,356**	**588,381**	**472,367**
Current liabilities			
Provisions	2,084	3,423	4,140
Leases liabilities	6,183	7,395	—
Borrowings	190,227	62,317	10,352
Salaries and social security payable	11,508	12,553	6,348
Income tax payable	—	3,039	22,429
Other taxes and royalties payable	5,117	6,040	6,515
Accounts payable and accrued liabilities	118,619	98,269	84,334
Total current liabilities	**333,738**	**193,036**	**134,118**
Total liabilities	**864,094**	**781,417**	**606,485**
Total shareholders' equity and liabilities	**1,372,612**	**1,385,133**	**1,086,142**
Dividends and Shares			
Number of shares	87,851,288	87,133,506	70,409,317
Dividends declared	—	—	—
Dividends declared per-share	—	—	—

Source of Revenues

Vista is principally engaged in the oil and gas business in the E&P industry. Our oil and gas operations derive revenues mainly from the sale of crude oil, natural gas, and NGL. During the year ended December 31, 2020, oil sales contributed 86% of our total revenues, natural gas sales contributed 12% of our total revenues and NGL sales contributed 1% of our total revenues. During the year ended December 31, 2019, oil sales contributed 81.3% of our total revenues, natural gas sales contributed 17.2% of our total revenues and NGL sales contributed 1.5% of our total revenues.

During the 2018 Successor Period, oil sales contributed 78.5% of our total revenues, natural gas sales contributed 19.7% of our total revenues and NGL sales contributed 1.8% of our total revenues. During the 2018 Predecessor Period, oil sales contributed 70.8% of our total revenues, natural gas sales contributed 25.7% of our total revenues and NGL sales contributed 3.5% of our total revenues. During 2020, most of our revenues were generated in Argentina. For the periods of 2019 and 2018, all of our revenues were generated in Argentina.

Our sales volumes directly impact our results of operations. As reservoir pressure declines, production from a given well or formation decreases. Growth in our future production and reserves will depend on the development of our acreage and the corresponding capital expenditure, which will determine our ability to add proved reserves in excess of our production. Accordingly, we plan to maintain our focus on adding reserves by further drilling our acreage, in particular our shale acreage and testing additional stacked pay zones and reducing well spacing. Our ability to add reserves through acquisitions is dependent on many factors, including prevailing market conditions and our ability to raise capital, obtain regulatory approvals, procure drilling rigs and personnel and successfully identify and consummate acquisitions.

Our business is inherently volatile due to the influence of external factors, such as domestic demand, market prices, availability of financial resources for our business plan and its corresponding costs and government regulations. Consequently, our past financial condition, results of operations and the trends indicated by such results and financial condition may not be indicative of current or future financial conditions, results of operations or trends.

We sell our oil and gas to many creditworthy purchasers. Since our production is sold in the commodities market where several customers or markets are accessible to us, we do not believe the loss of any customer would have a material adverse effect on our business.

Production Results and Other Operating Data

The following table sets forth summary unaudited information about the oil and natural gas historical production volumes and other relevant operating and financial data of the assets we own in Argentina and Mexico. The historical production volumes and other relevant operating data included below was calculated at their respective working interest percentages, including 100% working interest in Entre Lomas, Agua Amarga, Bajada del Palo Oeste and Bajada del Palo Este concessions, 10% in Coirón Amargo Sur Oeste, 84.62% in Coirón Amargo Norte, 1.5% in Acambuco, 100% in JDM and 100% in 25 de Mayo-Medanito, 90% in Águila Mora, in each case for the periods indicated, and 50% working interest in the blocks CS-01, A-10 and TM-01, only for the year ended December 31, 2020. Royalties payable to provinces have not been deducted from our net production amounts given that substantially all of our production is currently in Argentina and under Argentine law royalties constitute a production tax payable in cash (and do not give provinces a direct interest in such production to make lifting and sales arrangements independently). We account for royalties as cost of sales.

	Successor		Predecessor	
	Year ended December 31 2020	Year ended December 31, 2019	Period from April 4 to December 31, 2018	Period from January 1 to April 3, 2018
Net production volumes[1]:				
Oil (MMbbl)	6.7	6.7	4.0	0.5
Natural Gas (Bncf)	15.8	20.8	14.0	0.7
NGL (MMboe)	0.2	0.3	0.2	0.1
Total (MMboe)	9.7	10.6	6.7	1.1
Average daily net production (boe/d)	26,594	29,112	24,425	11,583
Average realized sales price[2]:				
Oil (US$/bbl)	37.2	53.0	67.2	60.8
Natural Gas (US$/MMBtu)	2.0	3.3	4.6	4.1
NGL (US$/bbl)	17.5	23.8	34.2	29.7
Average realized sales price (US$/boe)	28.1	39.1	49.3	42.7
Average unit costs (US$/boe)[3]:				
Operating expenses	9.0	10.8	12.8	17.6
Royalties[4]	4.0	5.7	7.5	6.5
Depreciation, depletion and amortization	15.2	14.4	11.1	13.6
Other data (in thousands of US$)				
Operating expenses	88,018	114,431	86,245	18,367
Royalties[4]	38,908	61,008	50,323	6,795
Depreciation, depletion and amortization	147,674	153,001	74,772	14,194

(1) Measured based on our working interest. There was no production due to others during the applicable periods. Oil production is comprised of production of crude oil, condensate and natural gasoline. Natural gas production excludes natural gas consumption. NGL production is comprised of production of propane and butane (LPG) and excludes natural gasoline.

(2) For periods ending on or before April 3, 2018 we calculate our average realized sales price per bbl of oil, per MMBtu of natural gas, per ton of NGL and per boe of total production by dividing our total revenue from oil, natural gas, NGL and total production for the relevant period, respectively, by the production of oil, natural gas, NGL and total production in such period, respectively. For subsequent periods, we calculate our average realized sales price (i) per bbl of oil by dividing our total revenue from oil for the period by the volume of oil sold in such period, (ii) per MMBtu of natural gas and per ton of NGL by multiplying the monthly weighted sales price per client by the corresponding volume sold in each month, divided by the total volume sold during the relevant period, and (iii) per boe of total production by dividing our total revenues for the relevant period by our total production in that period.

(3) We calculate average unit costs per boe by dividing operating expenses, royalties or depreciation, depletion and amortization for the relevant period, as applicable, by average daily net production multiplied by days in each period (90 days for 2018 Predecessor Period, 275 days for 2018 Successor Period,365 days for 2019 and 366 days for 2020).

(4) Measured based on our working interest. Royalties are applied to the total production of the concessions, and are calculated by applying the applicable royalty rate to the production, after discounting certain expenses in order to bring the value of the cubic meter of crude oil, natural gas and liquefied gas at a price from wellhead.

The following table highlights certain operating data through the end of the fourth quarter of 2020:

	2020			
	Three-month period ended December 31,	Three-month period ended September 30,	Three-month period ended June 30,	Three-month period ended March 31,
Average Brent Oil Price (US$ per bbl)[1]	45.3	43.3	33.4	50.8
Average Medanito Crude Oil Price (US$ per bbl)[2][3]	40.4	41.4	30.3	48.6
Average Natural Gas Price (US$ per MMBtu)[3]	2.0	2.5	2.2	2.5
Net production volumes:				
Oil (MMbbl)	2.1	1.6	1.4	1.5
Natural Gas (Bncf)	3.7	3.8	3.9	4.5
NGL (MMboe)	0.0	0.1	0.1	0.1
Total (Mboe)	2.8	2.3	2.2	2.4
Average realized sales price:				
Oil (US$/bbl)	40.1	39.1	26.5	43.0
Natural Gas (US$/MMBtu)	1.6	2.2	2.2	2.2
NGL (US$/bbl)	18.1	15.1	15.7	20.9
Lifting Cost (US$/boe)	8.0	9.9	8.6	9.9
Number of conventional wells drilled	0	0	0	0
Number of shale wells drilled	10	2	0	4
Revenue from contracts with customers	79,536	69,863	51,219	73,320

(1) Source: Bloomberg.
(2) Light oil extracted from the Neuquina basin. Source: Argentine Secretariat of Energy.
(3) Source: Argentine Secretariat of Energy.
(4) Source: Argentine Secretariat of Energy and US$/AR$ exchange rate according to Communication “A” 3500 of the Argentine Central Bank.

Factors Affecting our Results of Operations

Our operations are affected by a number of factors, including:

- the volume of crude oil, natural gas and liquid gas we produce and sell;
- the effects of the COVID-19 outbreak and the measures adopted by the countries in which we operate as a result of the pandemic;
- pricing regulation, mainly related to gas;
- export administration by the Argentine and Mexican governments and domestic supply requirements;
- international and domestic prices of crude oil and oil products;
- discount of our oil production to market prices;
- our capital expenditures and financing availability;
- cost increases;
- market demand for hydrocarbon products;
- operational risks, labor strikes and other forms of public protest;
- taxes, including export taxes;
- regulation of capital flows;
- exchange rates;
- interest rates; and
- changes to demand for hydrocarbon products and related services as the result of COVID-19 pandemic related disruptions.

Our business is inherently volatile due to the influence of external factors, such as domestic demand, market prices, availability of financial resources for our business plan and its corresponding costs and government regulations and policies. Consequently, our past financial condition, results of operations and trends indicated by such results and financial condition may not be indicative of current or future financial conditions, results of operations or trends.

Discovery and Exploitation of Reserves

Our results of operations depend to a large extent on our level of success in the exploration campaigns and appraisal of wells, the implementation of secondary and tertiary recovery projects in our conventional blocks, and in the further delineation of stack landing zones and the reduction of well spacing in our Vaca Muerta shale acreage. While we have geological reports evaluating certain proved, contingent and prospective reserves in our blocks, there is no assurance that we will continue to be successful in the exploration, appraisal, development and commercialization of oil and gas. The calculation of our geological and petrophysical estimates is complex and imprecise, which means it is possible that our future exploration will not result in additional discoveries, and, even if we are able to successfully make such discoveries, it is uncertain whether the discoveries will be commercially viable to produce.

Funding our capital expenditures partially relies on oil prices remaining close to, or higher than, our estimates together with other factors to generate sufficient cash flow. Low oil prices may affect our revenues, which in turn may affect our debt capacity and remaining within the leverage ratios defined in the covenants in our financing agreements, as well as our cash flow from operations. Our operations, investor confidence and share price could be adversely affected if we are not able to generate enough cash flows to fund our future operating expenses and capital expenditures.

If average realized oil prices are higher than expected, we would have the ability to allocate additional capital to engage in new in-house projects, potential acquisition opportunities and accelerate the pace of existing operations, in all cases leading to a potential increase of our oil and gas production and cash flows.

Our operations results would be adversely affected in the event that our oil and natural gas reserves and the capital expenditure return does not meet our expectations. In addition, we focus on several factors when analyzing new investment in our blocks or potential acquisitions. As a consequence, it is uncertain whether we will focus in the development of our current assets or make any acquisitions to increase our current production and reserves. Our business, results from operations and financial condition may be materially affected if we do not deploy the necessary capital expenditures to increase the reserves of our current blocks or increase our reserves through profitable acquisition opportunities.

Availability and Reliability of Infrastructure

Our business depends on the availability and reliability of operating and transportation facilities in the areas we operate. Prices, together with the availability of equipment and infrastructure, with the corresponding maintenance thereof, affect our ability to follow our investment plan to operate our business, and thus our operations results and financial condition. See “Item 4—Information on the Company—History and Development of the Company—Our Operations—Oil and Natural Gas Reserves Production—Transportation and Treatment” and Our Business—Our Operations—Investment in Property, Plant and Equipment.”

Contractual Obligations

In order to protect our exploitation rights in our concessions, we must achieve certain milestones, including investment commitments, related to drilling and production in determined time periods, as stated in the corresponding agreements. The operating and maintenance costs may increase significantly due to adverse local or international market conditions, including local recession, foreign exchange volatility or high financing costs, which could prevent us from meeting our commitments under such agreements on commercially reasonable terms or at all, which may force us to forfeit our interests in such areas. If we do not succeed in renewing these agreements and maintaining our operations in these concessions, or securing new ones, our ability to grow our business may be materially affected. Health and safety measures introduced by the Argentine and Mexican governments, in conjunction with guidelines and emergency procedures by our Company, have had, and probably will keep having, and impact on our drilling, completion and general operations. See “Item 5—Operating and Financial Review and Prospects—Liquidity and Capital Resources—Capital Expenditures.”

The Argentine and Mexican Economies

Our main assets and most of our operations are located in Argentina and to a lesser extent in Mexico. Accordingly, our financial condition and results of operations depend to a significant extent on macroeconomic and political conditions prevailing from time to time in Argentina, and to a lesser extent in Mexico.

The general performance of the Argentine economy affects the demand for energy, while inflation, fluctuations in currency exchange rates and social stability affect our costs and our margins. Inflation primarily affects our business by increasing operating costs in Argentine Pesos.

The following table sets forth key economic indicators in Argentina during the periods indicated:

	2020	2019	2018	2017	2016	2015
Real GDP (% change) [3]	(9.9)[1]	(2.1)[1]	2.6[2]	(2.1)	2.7	(2.5)
Nominal GDP (in millions of AR$)[3]	27,021,238[1]	21,447,250[1]	14,542,722[2]	10,660,228	8,228,160	5,954,511
Consumer Price Index (CPI) variation (in %)[4]	36.1	53.8	47.6	24.8	41.0	26.9
Nominal Exchange Rate (in AR$/US$ at period end)	89.3	63.0	37.8	18.8	15.9	13.0

(1) Preliminary data.
(2) Provisional data.
(3) Source: INDEC. Preliminary and provisional data are shown as stated by INDEC.
(4) The inflation from 2013 to 2016 corresponds to the one published by the Buenos Aires City Government.

For more information on these macroeconomic and political conditions, see "Item 3—Key Information—Risk Factors—Risks Relating to the Argentine and Mexican Economies and Regulatory Environments."

Foreign Exchange Rates

The following tables show, for the periods indicated, certain information regarding the exchange rates for U.S. dollars, expressed in nominal Argentine Pesos per dollar (ask price published by Banco de la Nación Argentina). See "Item 10—Additional Information—Exchange Controls."

	Average[1]	End of Period
Year Ended December 31, 2016	15.0	15.9
Year Ended December 31, 2017	16.7	18.7
Year Ended December 31, 2018	29.3	37.7
Year Ended December 31, 2019	51.1	63.0
Year Ended December 31, 2020	74.9	89.3
Month Ended September 31, 2020	79.1	80.0
Month Ended October 31, 2020	82.5	83.5
Month Ended November 30, 2020	85.1	86.5
Month Ended December 31, 2020	87.8	89.3
Month Ended January 31, 2021	90.9	92.3
Month Ended February 31, 2021	93.5	94.5
Month Ended March 31, 2021	96.1	97.5

(1) Yearly data reflect average of month-end rates. Monthly data reflect average of day-end rates.

Sources: *Banco de la Nación Argentina*

The following tables show, for the periods indicated, certain information regarding the exchange rates for U.S. dollars, expressed in nominal Mexican pesos per dollar (price to settle obligations published by Banco de México).

	Average (1)	End of Period
Year Ended December 31, 2016	18.7	20.7
Year Ended December 31, 2017	18.9	19.7
Year Ended December 31, 2018	19.2	19.7
Year Ended December 31, 2019	19.3	18.9
Year Ended December 31, 2020	21.5	19.9
Month Ended September 31, 2020	21.6	22.5
Month Ended October 31, 2020	21.4	21.4
Month Ended November 30, 2020	20.5	20.0
Month Ended December 31, 2020	20.0	19.9
Month Ended January 31, 2021	19.9	20.3
Month Ended February 31, 2021	20.3	20.9
Month Ended March 31, 2021	20.8	20.6

(1) Reflects average of day-end rates.

Sources: *Banco de México*

The majority of our sales are directly denominated in U.S. Dollars or indexed to the U.S. dollar. We collect a significant portion of our revenues in Argentine Pesos pursuant to prices which are indexed to the U.S. Dollar, mainly revenues resulting from the sale of natural gas and crude oil, which sales are invoiced in U.S. dollars using the U.S. Dollar/Argentine Peso exchange rate as of the date of issuance of the invoice payable within a 30- to 65-day payment period. However, our invoices are subject to adjustment to the prevailing U.S. Dollar/Argentine Peso exchange rate in effect as of the date of payment. Any significant increase in the Argentine Peso price as a result of a decline in the peso/dollar exchange rate could lead to decreased sales volumes as a result of increases in the effective price in Argentine Pesos paid by our customers for natural gas and crude oil. We are exposed to the risk that purchasers of our natural gas and crude oil may be unable to pay amounts owed to us following a depreciation of the Argentine Peso.

Argentine Foreign Exchange Regulations

Since September 1, 2019, with the purpose of strengthening the normal functioning of the economy, fostering a prudent administration of the exchange market, reducing the volatility of financial variables and containing the impact of the variations of financial flows on the real economy, foreign exchange controls were reinstated in Argentina. See “Item 10—Additional Information—Exchange Controls.”

Policy and Regulatory Developments in Argentina and Mexico

The Argentine and Mexican oil and gas industry have been subject to major reforms during the past five years and there can be no assurance that future reforms or reversal of existing ones will not have an adverse impact on our revenues and results of operations. Our business is, to a large extent, dependent upon regulatory conditions prevailing in the countries in which we operate and our results of operations may be materially and adversely affected by regulatory changes in these countries. Additionally, the regulatory burden on the oil and gas industry increases the cost of doing business in the industry and consequently affects profitability.

For more information regarding policy and regulatory developments relating to the oil and gas industry in Argentina, see "Item 4—Information on the Company—Industry and Regulatory Overview—Argentina's Oil and Gas Industry Overview." For more information regarding policy and regulatory developments relating to the oil and gas industry in Mexico, see "Item 4—Information on the Company—History and Development of the Company—Industry and Regulatory Overview—Mexico's Oil and Gas Regulatory Overview."

Seasonality

Although there is some historical seasonality to the prices that we are paid for our production, the impact of such seasonality has historically not been material. Additionally, seasonality does not play a significant role in our ability to conduct our operations, including drilling and completion activities as planned in our budgets.

Warrants

Under IFRS, a contract to issue a variable number of common shares, such as our warrants, should be classified as a financial liability and measured at fair value, with changes in fair value recognized in the consolidated statement of profit or loss and comprehensive income. As of the date of this annual report, we had 70,000,000 Warrants and 29,680,000 Sponsor Warrants outstanding (totaling 99,680,000 warrants outstanding) that are exercisable for 23,333,333 and 9,893,333 series A shares, respectively. These warrants have been accounted for as a liability and are subject to adjustment of their fair market value at each reporting period. The determination of fair market value is subject to assumptions and estimates and changes to these assumptions and estimates could impact the valuation of the warrants, which could in turn have an effect on our consolidated statement of profit or loss and comprehensive income. For more information on our warrants, see "Item 10—Additional Information—Memorandum and Articles of Association—Warrants" and Note 18.3 of our Audited Financial Statements.

Deferred Income Tax

Under IFRS, the difference between the book value of property, plant and equipment (measured in U.S. Dollars, our functional currency) and the tax basis of such property, plant and equipment (which tax basis is expressed in Argentine Pesos or Mexican Pesos, as applicable, and may not be re-valued due to foreign exchange fluctuations under applicable tax laws) is a temporary difference to be considered in the calculation of deferred income tax. For more information, see Note 2.4.14 to our Audited Financial Statements. In addition to property, plant and equipment, we recognize deferred tax assets with respect to the temporary difference between the accounting and tax basis of the well plugging and abandonment provisions relating to our oil and gas properties.

On December 29, 2017, the Argentine government enacted Law No. 27,430 which introduced several changes to the Argentine income tax regime as well as to other federal taxes. Pursuant to Law No. 27,430 the income tax rate for Argentine companies would be gradually reduced from 35% to 30% commencing on tax periods initiated after January 1, 2018 and through December 31, 2019, and to 25% commencing on tax periods initiated after January 1, 2020 (an additional income tax withholding on actual or presumed dividend distributions to Argentine resident individuals or to foreign resident shareholders was also enacted at a 7% and 13% rate, respectively, so that an aggregate 35% tax burden is completed). On December 23, 2019, Law No. 27,541 was published in the Official Gazette, providing –among many other federal tax aspects, including the creation of the so-called "PAIS Tax"- the suspension of the application of the 25% corporate tax rate for one tax period. Pursuant to further clarifications unofficially made by the Argentine tax authorities, the 25% corporate tax rate (coupled with the 13% income tax withholding on actual or presumed dividend distributions of profits) would be applicable as of tax periods initiated after January 1, 2021. Despite these changes, there are many transactions and calculations for which the ultimate tax determination is still uncertain. We recognize liabilities for potential tax claims based on estimates of whether additional taxes will be due in the future. For more information, see Note 2.4.14 to our Audited Financial Statements.

Leases

On January 1, 2019, we adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application on January 1, 2019 and recognized all the leases agreements and service agreements that are in substance a lease their corresponding right of use asset and liability. Under this method, the standard is applied with the cumulative effect of initially applying the standard recognized at the date of initial application. Please refer to Note 15 of our Audited Financial Statements for more details regarding the impact that adoption of this standard have in our financial information.

Depreciation, Depletion and Amortization

IFRS requires us to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues and expenses, among other line times, relating to our oil and gas properties. Actual results could differ from such estimates. Depreciation, depletion and amortization rates can fluctuate as a result of development costs, acquisitions, impairments, as well as changes in proved reserves or proved developed reserves. For more information, see Note 2.4.2.2 of our Audited Financial Statements.

Oil and Gas Market Conditions

The oil and gas industry is cyclical and commodity prices are highly volatile. During 2015 and 2016, global and domestic oil supply continued to outpace demand resulting in ongoing low realized oil and gas prices. Although during 2017 and most of 2018 commodity prices tended to improve, prices declined in the fourth quarter of 2018. During 2019, global oil prices continued to decrease, especially during the second half of the year, mainly due to the political developments in Middle East and the trade dispute between China and the United States. In addition, domestic oil prices in Argentina suffered a further impact as a consequence of the Presidential Decree No. 566. Therefore, it is likely that commodity prices will continue to fluctuate due to global supply and demand, inventory supply levels, weather conditions, geopolitical and other factors. Additionally, the oil and gas industry is subject to a number of operational trends, some of which affect the basins we operate. Oil and gas companies are increasingly utilizing new techniques to lower drilling costs and increase the efficiency of operations.

During 2020, global oil prices decreased sharply as the result of continued constraints on demand that resulted from restrictions related to the COVID-19 Pandemic. Global economic recovery boosted the demand for crude oil, prices recovered in late 2020. By early 2021, global oil prices were back to pre-pandemic levels, although volatility remained high and the risk of second or third waves of COVID-19 negatively impacting prices cannot be discarded.

The operating results and cash flows of our business are susceptible to risks relating to the volatility of international oil prices. Due to regulatory, economic and government policy factors, oil prices in Argentina in the past have lagged far behind the prevailing prices in the international market. Furthermore, in order to ensure the domestic supply and increase government revenue, Argentina's government has imposed high export duties and other restrictions on exports in the past that have prevented companies from benefiting from significant increases in international oil prices. Oil exports remain subject to authorization from the Argentine Secretariat of Energy, which requires producers to demonstrate that local demand has been met or that an offer to sell oil to the local buyer has been made and rejected. We cannot predict if, when or what measures will be implemented or maintained by the Argentine government, nor what effects such measures will have, particularly on oil prices in Argentina.

The price of natural gas in Argentina has been limited by a series of government measures intended to ensure domestic supply at affordable prices. Therefore, gas producers can elect to sell to distributors the gas necessary to meet the needs of the regulated internal market at prices established by the relevant authorities. Alternatively, gas producers can only sell their surplus gas production on the deregulated market, either in Argentina or potentially, and subject to meeting certain requirements, through exports. Historically, gas prices in the regulated market have lagged far behind prices in the deregulated and regional markets.

The following table highlights the quarterly average price trends for crude oil and natural gas in U.S. Dollars for the periods presented:

	2020									
	Q4	Q3	Q2	Q1	2019	2018	2017	2016	2015	2014
Average Brent Oil Price (per bbl)[1]	45.3	43.3	33.4	50.8	43.2	71.69	54.74	45.13	53.60	99.45
Average Medanito Crude Oil Price (per bbl)[2]	40.4	41.4	30.3	48.6	54.0	64.98	56.52	63.40	74.59	79.20
Average Natural Gas Price (per MMBtu)[3]	2.0	2.5	2.2	2.5	3.35	4.42	3.76	3.21	2.08	2.19

(1) Source: Bloomberg.
(2) Light oil extracted from the Neuquina basin. Source: Argentine Secretariat of Energy.
(3) Source: Argentine Secretariat of Energy.

A sustained drop in oil, natural gas and NGL prices may not only decrease our revenues but may also reduce the amount of oil, natural gas and NGL that we can produce economically and therefore potentially lower our oil, natural gas and NGL reserve quantities.

COVID-19 pandemic

In late December 2019, a novel form of a pneumonia first noticed in Wuhan, Hubei province (COVID-19, caused by a new strain of coronavirus) was reported to the World Health Organization, with cases soon confirmed in multiple provinces in China, as well as in other countries. On March 11, 2020, the World Health Organization characterized the COVID-19 as a pandemic. Several measures have been undertaken by governments of the countries where the coronavirus has affected broad swathes of the population, such as the countries of the European Union, the United Kingdom, the United States of America, South Korea and Japan, among others, to control the coronavirus, including mandatory quarantines, travel restrictions to and from the above listed countries by air carriers and foreign governments.

The COVID-19 pandemic is currently causing a significant impact on the global economy and financial markets, the oil and gas industry, and our operations in Argentina and Mexico.

We summarize below the main drivers that we believe affected our performance during 2020 and may affect our performance during 2021 and beyond:

Decline in oil demand. The demand of our crude oil and gas products is largely influenced by the economic activity and growth in Argentina, Mexico and globally. The effects of the COVID-19 global crisis have led to a worldwide economic slowdown, and as a result there has been a decrease in global demand for crude oil and derivatives. Latest estimates from the IEA, EIA and OPEC forecast that global crude oil demand will reach 99.6 MMbb1/d for the full year 2021 compared to 94.1 MMbb1/d for the year 2020. Such variation represents a 5.5 MMBbl/d increase during the full year 2021, compared to a decline of 8.8 MMbbl/d during 2020. Although the surge of COVID-19 cases is lowering the pace of the recoup, it is expected that after the proposed vaccination campaigns and an acceleration in the economic activity, the demand should show a larger growth during the second half of 2021. In addition, governments around the globe, including Argentina and Mexico, have implemented measures to protect their population against the COVID-19. These preventive measures have caused a decrease in demand of certain goods and services, including petroleum products. As of the date of this annual report, we cannot predict what effect these measures will have on our operations or our financial condition. In Argentina we are currently experiencing similar levels of crude oil demand contraction, which has forced us to shut-in production, as explained below.

Decline in international crude oil prices. As discussed in "Item 3—Key Information—Risk Factors—Risks related to our Business and Industry—We are exposed to the effects of fluctuations in the international prices of oil and gas", during March and April 2020, Brent oil prices were forced downwards by contracting crude oil demand and the lack of consensus between OPEC and OPEC+ regarding production curtailments in early March. Argentine crude oil prices are linked to Brent, so were also forced downwards, amid a collapsing demand in the domestic market. As a result, our average realized oil prices during March 2020 were $24.6/bbl. The average Brent oil price (per bbl) during the first, second, third and fourth quarters of 2020 was $50.8/bbl, $33.4/bbl, $43.3/bbl and $40.4/bbl, respectively.

Activity. In light of lower realized prices in Argentina and Mexico, and due to the sudden drop in crude oil demand in Argentina, on March 20, 2020 we decided to stop our drilling and completion activity in our Vaca Muerta project in Bajada del Palo Oeste. To ensure the continuity of our operations, we implemented a Business Continuity Plan (BCP) based on keeping minimum crew shifts operating as fully independent cells. Our cell strategy assembles people in small teams working in the field with minimal or no interaction with other cells. We coordinate weekly emergency drills to prepare employees and contractors to better manage symptoms compatible with COVID-19. Entrance controls, temperature tests, medical surveys are performed for employees and third-party contractors before they arrive at their shift to rule out any COVID-19 compatible symptoms cases. During the third quarter of 2020, we adopted a new protocol to restart drilling, completion and pulling operations.

Production. The COVID-19 pandemic significantly affected international and local oil demand: global prices plummeted and a complex scenario to evacuate production ensued, impacting oil companies' revenue streams and financial strength. Due to the contraction in crude oil demand, on March 20, 2020, we decided to shut-in our 12 wells in Vaca Muerta, which equated to approximately 30% of our total production then. In addition, we quickly found solutions to the complex commercial context of 2020: we were first movers in Argentina in securing floating storage to avoid oil sales at low prices in the second quarter of 2020; and increased exports to approximately 2.8 million barrels of oil among the recovery of the international oil demand, becoming Argentina's top exporter of light oil in 2020. All 12 wells were reopened in May 2020.

Cost Savings. Our response to COVID-19 involved the financial, operational and contractual areas, contributing to Vista's resilience in a tough environment of declining oil price and demand. Complementing our BCP, we adopted a business strategy focused on cash preservation and strategic value protection. Our cash preservation plan included a decrease of about 30% in 2020 capital expenditure as compared to the original budget, as well as a review of more than 20 oilfield operations contracts and a thorough review of G&A expenses according to a lean mindset. The review of the aforementioned contracts led to leaner company with a re-based operating cost structure.

Financial performance. The combination of lower realized prices and lower production levels adversely impacted our net revenues, Adjusted EBITDA and cash flows from operations in the coming quarters. As of December 31, 2020, Vista performed an impairment test that resulted in a US$14.4 million impairment loss, mainly driven by prices of crude oil, natural gas and NGL and an increase in the discount rate. Further, continuous poor economic performance could eventually lead to an additional recognition of impairment charges of some assets which could include accounts receivables, deferred tax assets goodwill and property, plant and equipment in the future, a deterioration in our financial coverage ratios, and cause us to exceed the financial covenants agreed upon in the Credit Agreement. A contraction of crude oil demand could also affect us financially, including our ability to pay our suppliers for their services, which could, in turn, lead to further operational distress.

In light of all the above-mentioned circumstances and given the uncertainty of the lasting effect of the COVID-19 pandemic, Vista has adopted decisive measures. Vista has continued to operate during the COVID-19 pandemic, while monitoring the impact on the health of our workers and on our business operations. In accordance with our business continuity plan, we have reduced our workforce active in our fields, implemented alternating shifts, allowed most of our workforce to work remotely and implemented additional procedures to disinfect our facilities. In addition, we are performing temperature checks for those employees working in the fields and implemented a protocol for COVID-19 symptoms and diagnosis.

For more information on the risks related to the COVID-19 pandemic see "Item 3—Key Information—Risk Factors—Risks related to our Business and Industry—We are exposed to the effects of fluctuations in the international prices of oil and gas", "Item 3—Key Information—Risk Factors—Risks related to our Business and Industry—We are exposed to contractions in the demand of crude oil and natural gas and contractions in the demand of any of their by-products", "Item 3—Key Information—Risk Factors— Risks Related to the Argentine and Mexican Economies and Regulatory Environments—The coronavirus and the measures taken or to be implemented by the Argentine and Mexican governments in response to the coronavirus have had and could continue to have a significant adverse effect on our business operations" and "Item 3—Key Information—Risk Factors—Risks Related to our Business and Industry—We are exposed to the effects of fluctuations in the international prices of oil and gas."

Note Regarding Comparability of Our Results of Operations

On April 4, 2018, Vista consummated the Initial Business Combination. For more information on the Initial Business Combination, see "Presentation of Information—Financial Statements and Information" and "Presentation of Information—The Initial Business Combination."

The comparability of our results of operations is affected by the consummation of the Initial Business Combination and purchase accounting. Considering the reporting treatment given to PELSA as our predecessor company, our results of operations for periods prior to the Initial Business Combination do not include the results of the APCO Entities, JDM and 25 de Mayo—Medanito and those from the 3.85% direct interest in the EL-AA-BP Concessions, and therefore are not comparable to our results for the period after the consummation of the Initial Business Combination.

Results of Operations

The following discussion relates to certain financial and operating data for the periods indicated. You should read this discussion in conjunction with our Audited Financial Statements and the accompanying notes thereto. We measure our performance by our net profit (loss) for the period, gross profit and operating profit and use these metrics to make decisions about allocating resources and to evaluate our financial performance.

Year ended December 31, 2020 compared to year ended December 31, 2019

	For the year ended December 31, 2020		For the year ended December 31, 2019	
	(in thousands of US$ except per share data)	(% of revenues)	(in thousands of US$ except per share data)	(% of revenues)
Revenue from contract with customers	273,938	100%	415,976	100%
Cost of sales	(271.505)	(99%)	(328,130)	(79%)
Gross profit	**2,433**	**1%**	**87,846**	**21%**
Selling expenses	(24,023)	(9%)	(27,138)	(7%)
General and administrative expenses	(33,918)	(12%)	(42,400)	(10%)
Exploration expenses	(646)	(0%)	(676)	(0%)
Other operating income	5,573	2%	3,165	1%
Other operating expenses	(4,989)	(2%)	(6,180)	(1%)
Impairment of long-lived assets	(14,438)	(5%)	—	—
Operating profit	**(70,008)**	**(26%)**	**14,617**	**4%**
Interest income	822	0%	3,770	1%
Interest expense	(47,923)	(17%)	(34,163)	(8%)
Other financial results	4,247	2%	(715)	(0%)
Financial results, net	(42,854)	**(16%)**	**(31,108)**	**(7%)**
(Loss)/Profit before income tax	**(112,862)**	**(41%)**	**(16,491)**	**(4%)**
Current income tax (expense)	(184)	(0%)	(1,886)	(0%)
Deferred income tax (expense) / benefit	10,297	4%	(14,346)	(3%)
Income tax benefit / (expense)	**10,113**	**4%**	**(16,232)**	**(4%)**
Net (loss) for the year	**(102,749)**	**(38%)**	**(32,723)**	**(8%)**
Other comprehensive income				
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods				
- Remeasurements profit / (loss) related to defined benefits plans	460	0%	(1,577)	(0%)
- Deferred income tax (expense) / benefit	(114)	(0%)	394	0%
Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods	**346**	**0%**	**(1,183)**	**(0%)**
Other comprehensive income (loss) for the year/period, net of tax	**346**	**0%**	**(1,183)**	**(0%)**
Total comprehensive (loss) for the year	**(102,403)**	**(37%)**	**(33,906)**	**(8%)**
(Losses)/Earnings per share attributable to equity holders of the parent				
Basic and Diluted (In U.S. dollars per share):	(1.175)	N/A	(0.409)	N/A

Revenue from contracts with customers

The detail of our revenues from contracts with customers is the following:

Types of goods	For the year ended December 31, 2020	For the year ended December 31, 2019
Revenue from crude oil	236,596	338,272
Revenue from natural gas	33,575	71,524
Revenue from NGL	3,767	6,180
Revenue from contracts with customers	**273,938**	**415,976**

Total revenue from contracts with customers decreased to US$273.9 million during the year ended December 31, 2020, compared to US$416.0 during the year ended December 31, 2019. Such decrease was primarily driven by lower production as a consequence of lower oil demand (which led to the shut-in of our shale oil wells during 3 months) and lower drilling and completion activity.

Revenues from crude oil decreased to US$236.6 million during the year ended December 31, 2020, compared to US$338.3 million during the year ended December 31, 2019, which represented 86% and 81% of our total revenue from contracts with customers, respectively. Such decrease was primarily driven by the decline in realized crude oil price of 30%.

Total volume of crude oil sold was mostly stable at 6,367 Mbbl during the year ended December 31, 2020, compared to 6,386 Mbbl during the year ended December 31, 2019, as a result of a year during which we tied-in 12 shale oil wells, which production was offset by the shut-in of shale our shale oil wells during approximately 60 days.

Average realized crude oil sales prices decreased to US$37.2/bbl during the year ended December 31, 2020, compared to US$53.0/bbl during the year ended December 31, 2019, a decrease that was mainly driven by a lower Brent price, which decreased 33% during 2020 compared to 2019.

Revenues from natural gas decreased to US$33.6 million during the year ended December 31, 2020, compared to US$71.5 during the year ended December 31, 2019, which represented 12% and 17% of our total revenue from contracts with customers, respectively. Such decrease was primarily driven by both a reduction in the natural gas production and the realized natural gas price.

Total volume of natural gas sold decreased to 2,929 Mboe during the year ended December 31, 2020, compared to 3,665 Mboe during the year ended December 31, 2019. This decrease was primarily driven by lower conventional gas production.

The average realized natural gas sales prices decreased to US$2.0/MMBtu during the year ended December 31, 2020, a decrease of 39% compared to US$3.3/MMBtu during the year ended December 31, 2019. Such decrease was mainly driven by a lower price in the industrial segment due to softer demand.

Revenues from NGL decreased to US$3.8 million during the year ended December 31, 2020, compared to US$6.2 million during the year ended December 31, 2019, which represented 1% and 1% of our total revenue from contracts with customers, respectively.

During the year ended December 31, 2020, 99% of our revenue was generated by our oil and gas properties in Argentina, while during the year ended December 31, 2019, 99% of our revenue was generated by our oil and gas properties in Argentina.

Cost of Sales

	For the year ended December 31, 2020	For the year ended December 31, 2019
	(in thousands of US$)	
Operating expenses	(88,018)	(114,431)
Crude oil stock fluctuation	3,095	310
Depreciation, depletion and amortization	(147,674)	(153,001)
Royalties	(38,908)	(61,008)
Cost of sales	**(271.505)**	**(328,130)**

Cost of sales decreased to US$271.5 million during the year ended December 31, 2020, compared to US$328.1 million during the year ended December 31, 2019. Total cost of sales included fluctuations in the inventory of crude oil, operating expenses, depreciation, depletion and amortization and royalties. This decrease was primarily driven by the re-negotiation of contracts with key suppliers that improved our cost structure.

Operating expenses decreased to US$88.0 million during the year ended December 31, 2020, compared to US$114.4 during the year ended December 31, 2019, which represented 32% and 35% of our total cost of sales, respectively. This decrease was primarily driven by the renegotiation of more than 20 key oilfield services contracts.

Operating expenses per produced barrel decreased to 9.0 US$/boe during the year ended December 31, 2020 from 10.8 US$/boe during the year ended December 31, 2019. Such decrease was mainly driven by the abovementioned re-negotiation of oilfield services contracts with key suppliers that improved our cost structure and leveraging our shale production ramp-up on the existing conventional operations.

Depreciation, depletion and amortization decreased to US$147.7 million during the year ended December 31, 2020, compared to US$153.0 million during the year ended December 31, 2019, which represented 54% and 47% of our total cost of sales, respectively. This decrease was primarily driven by the reduction in the depreciation, depletion and amortization ratio (total production to proved reserves).

Royalties decreased to US$38.9 million during the year ended December 31, 2020, compared to US$61.0 million during the year ended December 31, 2019, which represented 14% and 19% of our total cost of sales, respectively. This decrease was primarily driven by the abovementioned decreases in total production, realized oil price and realized natural gas price.

Gross Profit

Gross profit decreased to US$2.4 million during the year ended December 31, 2020, compared to US$87.8 million, which represented 1% and 21% of our total revenue from contracts with customers, respectively.

Selling Expenses

Selling expenses decreased to US$24.0 million during the year ended December 31, 2020, compared to US$27.1 million during the year ended December 31, 2019, which represented 7% and 9% of our total revenue from contracts with customers, respectively. This decrease was primarily driven by a decrease of 54% in taxes, rates and contributions, 33% in tax on bank transactions and by sales exports made during 2020. Such variations were partially offset by an increase of 9,106% in fees and compensation for services, in all cases during 2020 compared to 2019. Such variations were mainly impacted by the devaluation of the Argentine Peso against the US Dollar.

General and Administrative Expenses

General and administrative expenses decreased to US$33.9 million during the year ended December 31, 2020, compared to US$42.4 million during the year ended December 31, 2019, which represented 12% and 10% of our total revenue from contracts with customers, respectively. This decrease was primarily driven by a decrease in salaries and social security charges of 19%, Employees benefits of 18% and Fees and compensation for services of 33%, in all cases during 2020 compared to 2019 due to a reduction of labor force and expenses reductions with third parties.

Exploration Expenses

Exploration expenses remained flat, totaling US$0.6 million during the year ended December 31, 2020, compared to US$0.7 million during the year ended December 31, 2019 with similar exploration activity levels.

Other Operating Income

Other operating income increased to US$5.6 million during the year ended December 31, 2020, compared to US$3.2 million during the year ended December 31, 2019. This increase was mainly driven by the increase in Services to third parties of 19% during 2020 compared to 2019 and the accounting gain for the additional working interest in Coirón Amargo Norte (bargain gain for purchase on business combination) of US$1.4 million during 2020, compared to nil during 2019.

Other Operating Expenses

Other operating expenses decreased to US$5.0 million during the year ended December 31, 2020, compared to US$6.2 million during the year ended December 31, 2019. This decrease was primarily driven by a net effect of a decreased in other expenses of US$0.7 and a decrease due to the variation from a gain of US$1.0 million in allowance for obsolescence of inventories to a loss of US$0.6 million and a US$1.4 increase in reorganization expenses, in all cases during 2020 compared to 2019.

Operating Profit

Operating profit decreased to a loss of US$70.0 million during the year ended December 31, 2020, compared to US$14.6 million during the year ended December 31, 2019, which represented (26)% and 4.0% of our total revenue from contracts with customers, respectively.

Interest Income

Interest income decreased to US$0.8 million during the year ended December 31, 2020, compared to US$3.8 million during the year ended December 31, 2019. This decrease was primarily driven by a reduction of 100% in interests on government bonds at amortized costs.

Interest Expense

Interest expense increased to US$47.9 million during the year ended December 31, 2020, compared to US$34.2 during the year ended December 31, 2019. This increase was primarily driven by higher average gross debt during 2020 compared to 2019.

Other Financial Results

Other financial results totaled a gain of US$4.2 million during the year ended December 31, 2020, compared to a loss of US$0.7 million during the year ended December 31, 2019. This change was primarily driven by an increase of 141% in changes in the fair value of warrants, and partially offset by an the loss of impairment of financial assets, which totaled US$4.8 million, compared to nil, in all cases during 2020 compared to 2019.

Profit Before Income Taxes

Profit before income taxes totaled a loss of US$112.9 million during the year ended December 31, 2020, compared to a loss of US$16.5 million during the year ended December 31, 2019.

Income Tax expense

Our income tax expenses totaled a gain of US$10.1 million during the year ended December 31, 2020, compared to a loss of US$16.2 million during the year ended December 31, 2019. This decrease was primarily driven by (i) a decrease in current income tax expenses from US$3.0 to US$0.1 million compared to the year ended December 31, 2019, which was mainly driven the higher amount of tax losses generated by Vista Argentina, our main subsidiary, during 2019 (which was a result of the combined impact of a devaluation of the Argentine Peso versus the U.S Dollar and a net debt position in U.S. Dollars) and (ii) a gain in deferred income tax expense during 2020 of US$10.3 as compared to a loss of US$14.3 in 2019, such variance was mainly driven by the generation of NOLs from our main subsidiary Vista Argentina.

Net (loss) profit for the period/year

During the year ended December 31, 2020, net loss totaled US$102.7 million during the year ended December 31, 2020, compared to US$32.7 million during year ended December 31, 2019

Year ended December 31, 2019 compared to Period from April 4, 2018 through December 31, 2018 (Successor) and Period from January 1, 2018 through April 3, 2018 (Predecessor)

	Successor				Predecessor	
	For the year ended December 31, 2019		For the period from April 4, 2018 through December 31, 2018		For the period from January 1, 2018 through April 3, 2018	
	(in thousands of US$ except per share data)	(% of revenues)	(in thousands of US$ except per share data)	(% of revenues)	(in thousands of US$ except per share data)	(% of revenues)
Revenue from contract with customers	415,976	100%	331,336	100%	44,463	100%
Cost of sales	(328,130)	(79%)	(212,581)	(64%)	(38,623)	(87%)
Gross profit	**87,846**	**21%**	**118,755**	**36%**	**5,840**	**13%**
Selling expenses	(27,138)	(7%)	(21,341)	(6%)	(3,091)	(7%)
General and administrative expenses	(42,400)	(10%)	(24,202)	(7%)	(1,466)	(3%)
Exploration expenses	(676)	(0%)	(637)	(0%)	(134)	(0%)
Other operating income	3,165	1%	2,699	1%	1,240	3%
Other operating expenses	(6,180)	(1%)	(18,097)	(5%)	(135)	(0%)
Operating profit	**14,617**	**4%**	**57,177**	**17%**	**2,254**	**5%**
Interest income	3,770	1%	2,532	1%	239	1%
Interest expense	(34,163)	(8%)	(15,746)	(5%)	(23)	(0%)
Other financial results	(715)	(0%)	(22,920)	(7%)	(1,159)	(3%)
Financial results, net	**(31,108)**	**(7%)**	**(36,134)**	**(11%)**	**(943)**	**(2%)**
(Loss)/Profit before income tax	**(16,491)**	**(4%)**	**21,043**	**6%**	**1,311**	**3%**
Current income tax (expense)	(1,886)	(0%)	(35,450)	(11%)	(4,615)	(10%)
Deferred income tax (expense)	(14,346)	(3%)	(11,975)	(4%)	(3,345)	(8%)
Income tax (expense)	**(16,232)**	**(4%)**	**(47,425)**	**(14%)**	**(7,960)**	**(18%)**
Net (loss) for the year/period	**(32,723)**	**(8%)**	**(26,382)**	**(8%)**	**(6,649)**	**(15%)**
Other comprehensive (loss)						
Other comprehensive (loss) that will not be reclassified to profit or loss in subsequent periods						
- Remeasurements (loss) related to defined benefits plans	(1,577)	(0%)	(3,565)	(1%)	(89)	(0%)
- Deferred income tax benefit	394	0%	891	(0%)	22	0%
Other comprehensive (loss) that will not be reclassified to profit or loss in subsequent periods	**(1,183)**	**(0%)**	**(2,674)**	**(1%)**	**(67)**	**(0%)**
Other comprehensive (loss) for the year/period, net of tax	**(1,183)**	**(0%)**	**(2,674)**	**(1%)**	**(67)**	**(0%)**
Total comprehensive (loss)/profit for the year/period	**(33,906)**	**(8%)**	**(29,056)**	**(9%)**	**(6,716)**	**(15%)**
(Losses)/Earnings per share attributable to equity holders of the parent						
Basic and Diluted (In U.S. dollars per share):	(0.409)	N/A	(0.375)	N/A	(0.070)	N/A

Revenue from contracts with customers

The detail of our revenues from contracts with customers is the following:

	Successor		Predecessor
Types of goods	**For the year ended December 31, 2019**	**For the period from April 4, 2018 through December 31, 2018**	**For the period from January 1, 2018 through April 3, 2018**
Revenue from crude oil	338,272	260,079	31,501
Revenue from natural gas	71,524	65,164	11,418
Revenue from NGL	6,180	6,093	1,544
Revenue from contracts with customers	**415,976**	**331,336**	**44,463**

Total revenue from contracts with customers increased to US$416.0 during the year ended December 31, 2019 compared to US$44.5 million during the 2018 Predecessor Period and US$331.3 million during the 2018 Successor Period. Excluding the effect of the reporting treatment given to PELSA as our predecessor company, which effect accounts for the contribution of US$52.6 million to our total revenues during the year December 31, 2019 (see "Item 5—Operating and Financial Review and Prospects—Operating results—Note Regarding Comparability of Our Results of Operations"). This increase was primarily driven by the ramp-up of shale production Vaca Muerta development, which reached 5,135 boe/d during the year ended December 31, 2019 compared to no production in the previous year. Such increase was partially offset by a decline of both oil and natural gas realized prices.

Revenues from crude oil increased to US$338.3 during the year ended December 31, 2019 compared to US$31.5 million during the 2018 Predecessor Period and US$260.0 million during the 2018 Successor Period, which represented 81.3%, 70.8% and 78.5% of our total revenue from contracts with customers, respectively. Excluding the effect of the reporting treatment given to PELSA as our predecessor company (see "Item 5—Operating and Financial Review and Prospects—Operating results—Note Regarding Comparability of Our Results of Operations"), this increase was primarily driven by the shale development of Vaca Muerta, which led to an increase of total daily production of 228% and 25% compared to the 2018 Predecessor Period and 2019 Successor Period, respectively. The increase in production was partially offset by the abovementioned decline in realized sales prices as a consequence of a decline in the average Brent reference price of 5% compared to the 2018 Predecessor Period and 12% compared to the 2018 Successor Period, and the effect of Presidential Decree No. 566, whereby oil prices were intervened. See "Item 4—Information on the Company—Industry and Regulatory Overview—Oil and Gas Regulatory Framework in Argentina—Crude Oil Market."

Total volume of crude oil sold was 6,386 Mbbl during the year ended December 31, 2019, compared to 563.5 Mbbl during the 2018 Predecessor Period and 3,982 Mbbl during the 2018 Successor Period.

Average realized crude oil sales prices was 53.0 during the year ended December 31, 2019, compared to US$60.8/bbl during the 2018 Predecessor Period and US$67.2/bbl during the 2018 Successor Period, a decrease of 13% and 21%, respectively.

Revenues from natural gas decreased to US$71.5 during the year ended December 31, 2019, compared to US$11.4 million during the 2018 Predecessor Period and US$65.2 million during the 2018 Successor Period, which represented 17.2%, 25.7 % and 19.7% of our total revenue from contracts with customers, respectively. This decrease was primarily driven by a decrease in realized prices mainly due to an oversupplied domestic market.

Total volume of natural gas sold was 3,665 Mboe during the year ended December 31, 2019, compared to 479.5 Mboe during the 2018 Predecessor Period and 2,444 Mboe during the 2018 Successor Period.

Average realized natural gas sales prices was US$3.3/MMBtu during the year ended December 31, 2019, a decrease of 28% and 20% as compared to US$4.6/MMBtu during the 2018 Successor Period and US$4.1/MMBtu during the 2018 Predecessor Period, respectively.

Revenues from NGL decreased to US$6.2 million during the year ended December 31, 2019, compared to US$1.54 million during the 2018 Predecessor Period and US$6.1 million during the 2018 Successor Period, which represented 1.5%, 3.5% and 1.8% of our total revenue from contracts with customers, respectively.

During 2019, 99% of our revenue was generated by our oil and gas properties in Argentina, while during the 2018 Predecessor Period, the 2018 Successor Period and the 2017 Predecessor Year all of our revenues were generated by our oil and gas properties in Argentina.

Cost of Sales

	Successor		Predecessor
	For the year ended December 31, 2019	For the period from April 4, 2018 through December 31, 2018	For the period from January 1, 2018 through April 3, 2018
	(in thousands of US$)		
Operating expenses	(114,431)	(86,245)	(18,367)
Crude oil stock fluctuation	310	(1,241)	733
Depreciation, depletion and amortization	(153,001)	(74,772)	(14,194)
Royalties	(61,008)	(50,323)	(6,795)
Cost of sales	**(328,130)**	**(212,581)**	**(38,623)**

Cost of sales increased to US$328.1 million during the year ended December 31, 2019, compared to US$38.6 million during the 2018 Predecessor Period and US$212.6 million during the 2018 Successor Period. Total cost of sales included fluctuations in the inventory of crude oil, operating expenses, depreciation, depletion and amortization and royalties. This increase was primarily driven by (i) the reporting treatment given to PELSA as our predecessor company (see "Item 5—Operating and Financial Review and Prospects—Operating results—Note Regarding Comparability of Our Results of Operations"), which effect accounted for US$34.6 million to the total cost of sales during the year ended December 31, 2019; and (ii) an increase in depreciation, depletion and amortizations.

Operating expenses increased to US$114.4 during the year ended December 31, 2019, compared to US$18.4 million during the 2018 Predecessor Period and US$86.2 million during the 2018 Successor Period, which represented 34.9%, 47.6% and 40.6% of our total cost of sales, respectively. This increase was primarily driven by the abovementioned reporting treatment given to PELSA as our predecessor company (see "Item 5—Operating and Financial Review and Prospects—Operating results—Note Regarding Comparability of Our Results of Operations"), which was partially offset by having in-sourced operations and maintenance crews, eliminating service mark-up and maximizing end-to-end control in our field operations, the impact of "One Team pulling" novel contracting model and the positive impact of the Argentine peso devaluation.

Operating expenses per produced barrel decreased to 10.8 US$/boe during the year ended December 31, 2019 from 17.3 US$/boe during the 2018 Predecessor Period and 12.9 US$/boe in the 2018 Successor Period. Such decrease was mainly driven by leveraging our shale production ramp-up on the existing conventional operations.

Depreciation, depletion and amortization increased to US$153.0 during the year ended December 31, 2019, compared to US$14.2 million during the 2018 Predecessor Period and US$74.8 million during the 2018 Successor Period, which represented 46.6%, 36.8% and 35.38% of our total cost of sales, respectively. This increase was primarily driven by the reporting treatment given to PELSA as our predecessor company (see "Item 5—Operating and Financial Review and Prospects—Operating results—Note Regarding Comparability of Our Results of Operations") and the increase of capital expenditures from US$130.0 million in the year ended December 31, 2018 (including information for the three-month period ended March 31, 2018 corresponding to all assets acquired in the Initial Business Combination) to US$224.1 million in the year ended December 31, 2019.

Royalties increased to US$61.0 million during the year ended December 31, 2019, compared to US$6.8 million during the 2018 Predecessor Period and US$50.3 million during the 2018 Successor Period, which represented 18.6%, 17.6% and 23.7% of our total cost of sales, respectively. This increase was primarily driven by the aforementioned increase in the volumes sold of crude oil and natural gas.

Gross Profit

Gross profit decreased to US$87.8 million during the year ended December 31, 2019, compared to US$5.8 million during the 2018 Predecessor Period and US$118.7 million during the 2018 Successor Period, which represented 21.1% and 35.8% and 12.0% of our total revenue from contracts with customers, respectively.

Selling Expenses

Selling expenses increased to US$27.1 million during the year ended December 31, 2019, compared to US$3.1 million during the 2018 Predecessor Period and US$21.3 million during the 2018 Successor Period, which represented 6.5%, 6.9% and 6.4% of our total revenue from contracts with customers, respectively. This increase was primarily driven by taxes, rates and contributions, which increased 770.8% and 26.7% compared to the 2018 Predecessor Period and the 2018 Successor Period, respectively and transportation expenses, which increased 1,119.3% and 63.3% compared to the 2018 Predecessor Period and the 2018 Successor Period, respectively. Both increases were mainly driven by the increase in production.

General and Administrative Expenses

General and administrative expenses increased to US$42.4 million during the year ended December 31, 2019, compared to US$1.5 million during the 2018 Predecessor Period and US$24.2 million during the 2018 Successor Period, which represented 10.2%, 3.3% and 7.3% of our total revenue from contracts with customers, respectively. This increase was primarily driven by salaries and social security charges, which increased 2,822.1% and 68.8% compared to the 2018 Predecessor Period and the 2018 Successor Period, respectively, share-based payments expense, which increased 165.0% compared to the 2018 Predecessor Period and the 2018 Successor Period, and employee benefits, which increased 2,293.3% and 155.9% compared to the 2018 Predecessor Period and the 2018 Successor Period, respectively.

Exploration Expenses

Exploration expenses remained flat in US$0.7 million during the year ended December 31, 2019, compared to US$0.1 million during the 2018 Predecessor Period and US$0.6 million during the 2018 Successor Period, with similar exploration activity levels.

Other Operating Income

Other operating income decreased to US$3.2 million during the year ended December 31, 2019, compared to US$1.2 million during the 2018 Predecessor Period and US$2.7 million during the 2018 Successor Period. This decrease was mainly driven by a reduction in services to third parties, which decreased 8.6% as compared to the 2018 Predecessor Period and 2018 Successor Period combined and Surplus Gas Injection Compensation (SGIC) which decreased from US$0.3 million during the 2018 Predecessor Period to zero during the year ended December 31, 2019.

Other Operating Expenses

Other operating expenses decreased to US$6.2 during the year ended December 31, 2019, compared to US$0.1 million during the 2018 Predecessor Period and US$18.0 million during the 2018 Successor Period. This decrease was primarily driven by the reduction in restructuring expenses, that decreased 73.0% compared to the 2018 Successor Period, and had reached US$12.0 million during such period due to the Initial Business Combination.

Operating Profit

Operating profit decreased to US$14.6 million during the year ended December 31, 2019, compared to US$2.2 million during the 2018 Predecessor Period and US$57.2 million during the 2018 Successor Period, which represented 3.5%, 5.1% and 17.3% of our total revenue from contracts with customers, respectively.

Interest Income

Interest income increased to US$3.8 million during the year ended December 31, 2019, compared to US$0.2 million during the 2018 Predecessor Period and US$2.5 million during the 2018 Successor Period. This increase was primarily driven by an increase of accrued interest on government notes at amortized costs (due to additional investments in such government notes), which increased 921.8% and 500.0% compared to the 2018 Predecessor Period and the 2018 Successor Period, respectively. Such increase was partially offset by a decrease in gains from financial interests, which decreased 37.5% compared to the 2018 Successor Period.

Interest Expense

Interest Expense increased to US$34.2 during the year ended December 31, 2019, compared to US$0.1 million during the 2018 Predecessor Period and US$15.7 million during the 2018 Successor Period. This increase was primarily driven by a higher level of borrowings, including the Credit Agreement, and the two series of bonds issued by Vista Argentina in July and August 2019. Borrowings interest accrued on our outstanding debt increased 119.7% compared to the 2018 Successor Period.

Other Financial Results

Other financial loss decreased to US$0.7 million during the year ended December 31, 2019, compared to US$1.2 million during the 2018 Predecessor Period and US$22.3 million during the 2018 Successor Period. This decrease was primarily driven by changes in the fair value of warrants, which varied from a loss of US$8.9 million during the 2018 Successor Period, to a gain of US$6.8 million during the year ended December 31, 2019, effect of discount of assets and liabilities at present value, which increased from a loss of US$2.7 million during the 2018 Successor Period, to zero during the year ended December 31, 2019 and costs of early settlements of borrowings and other financing costs, which increased from a loss of US$14.5 million during the 2018 Successor Period, to a loss of US$2.1 million during the year ended December 31, 2019. Such effects were partially offset by foreign currency exchange difference, net, which decreased from a loss of US$1.0 million and a gain of US$3.0 million during the 2018 Predecessor Period and 2018 Successor Period, respectively, to a loss of US$3.0 million during the year ended December 31, 2019.

Profit Before Income Taxes

Loss before income taxes decreased to a loss of US$16.5 million during the year ended December 31, 2019, compared to a gain of US$1.3 million for the 2018 Predecessor Period and US$21.0 million during the 2018 Successor Period.

Income Tax expense

Our income tax expense decreased to US$16.2 million during the year ended December 31, 2019, compared to US$8.0 million during the 2018 Predecessor Period and US$47.4 million during the 2018 Successor Period. This decrease was primarily driven by (i) a decrease in current income tax expense of 59.1% and 94.7% compared to the 2018 Predecessor Period and the 2018 Successor Period respectively (which was mainly driven by the fact that Vista Argentina, our main subsidiary, generated tax losses during 2019, resulting from the combined impact of a devaluation of the Argentine Peso versus the U.S Dollar and a net debt position in U.S. Dollars) and (ii) a decrease in deferred income tax expense, which decreased 328.9% and 19.8% compared to the 2018 Predecessor Period and 2018 Successor Period, respectively. This effect is due to the Company´s taxable basis, which is determined in a currency (Argentine peso) different to our functional currency (U.S. dollar) and the existence of the aforementioned tax losses in Vista Argentina during 2019. For more information, see “Item 5—Operating and Financial Review and Prospects—Operating Results—Factors Affecting Our Results of Operations—Deferred Income Tax.”

Net (loss) profit for the period/year

Net loss was stable, totalizing US$32.7 million during the year ended December 31, 2019, compared to US$6.6 million during the 2018 Predecessor Period and US$26.4 million during the 2018 Successor Period.

ITEM 5B. LIQUIDITY AND CAPITAL RESOURCES

Our financial condition and liquidity is and will continue to be influenced by a variety of factors, including:

- changes in oil, natural gas and liquid gas prices and our ability to generate cash flows from our operations;
- our capital expenditure requirements; and
- the level of our outstanding indebtedness and the interest we are obligated to pay on this indebtedness.

Since our incorporation in March 22, 2017, we have raised US$650 million in public equity offerings, US$95 million in private equity offerings and US$300 million through borrowings, as described further below, which net of the redemption rights, as explained below, have been used to fund the Initial Business Combination, our capital expenditures program and to increase our liquidity.

On August 15, 2017, we completed our US$650 million initial global offering of 65,000,000 series A shares and 65,000,000 warrants exercisable for such series A shares (the "Warrants"), generating net proceeds to us, after offering expenses, of US$640 million. The series A shares and warrants issued pursuant to our initial global offering are listed on the Mexican Stock Exchange.

Three Warrants entitle the holder thereof to purchase one series A share at a price of US$11.50 per series A share. The Warrants expire on April 4, 2023 or earlier if, after exercisability, the closing price for a series A share for any 20 trading days within an applicable 30-trading day period equals or exceeds the Mexican Peso equivalent of US$18.00 and we decide to early terminate the exercise period thereof. In the event that we declare an early termination, we will have the right to declare that the exercise of the warrants be made on a "cashless basis." See "Item 10—Additional Information—Memorandum and Articles of Association—Warrants."

Concurrently with our initial global offering, Vista Sponsor Holdings, L.P. and the Management Team (excluding Gastón Remy) purchased a total of 29,680,000 warrants exercisable for series A shares in a private placement (the "Sponsor Warrants"), generating gross proceeds to us of US$14,840,000. The Sponsor Warrants are identical to and fungible with the Warrants. However, the Sponsor Warrants may be exercised for cash or on a cashless basis at the discretion of Vista Sponsor Holdings, L.P. and the Management Team, or their permitted transferees. See "Item 10—Additional Information—Memorandum and Articles of Association—Warrants."

On August 15, 2017, we also executed a forward purchase agreement (the "FPA") pursuant to which RVCP agreed to purchase a total of up to 5,000,000 series A shares (the "FPA Shares") and up to 5,000,000 warrants ("FPA Warrants") for a total purchase price of US$50 million (or US$10 per unit).

Further, on September 12, 2018, we entered executed a subscription agreement with Kensington, RVCP's sole limited partner, for the subscription of the FPA Shares and the FPA Warrants that could be purchase by RVCP, or its permitted transferees, pursuant to the FPA. On February 12, 2019, we completed the sale of the FPA Shares and the FPA Warrants to Kensington for an amount of US$50.0 million pursuant to the FPA and, additionally, 500,000 series A shares for an amount of US$5.0 million pursuant to certain subscription commitment among Vista and Kensington. The FPA Warrants are subject to the same terms as the Sponsor Warrants. See "Item 10—Additional Information—Memorandum and Articles of Association—Warrants."

As of the date of this annual report, we hold 40,940,953 series A shares in treasury for delivery upon exercise of any Warrants, Sponsor Warrants or FPA Warrants, as the case may be.

As per the unanimous shareholders resolutions dated July 28, 2017, our shareholders resolved to reduce a portion of our outstanding capital stock. As a result, a number of series A shares, which represented a portion of the amount authorized to be reduced, were reimbursed for cash and canceled.

On April 4, 2018, the date we consummated our Initial Business Combination:

- we entered into a bridge loan agreement (the "Bridge Loan") with Citibank, N.A., Credit Suisse AG Cayman Islands Branch and Morgan Stanley Senior Funding, Inc. in an aggregate principal amount equal to US$260.0 million, maturing on February 11, 2019, bearing interest at a variable rate between 3.25% and 5%. The Bridge Loan was prepaid in full on or about July 19, 2018 with the proceeds of the Credit Agreement.
- approximately 31.29% of holders of series A shares exercised their redemption rights, as a result of which 20,340,685 series A shares were redeemed for an amount of US$204.6 million. The holders of remaining series A shares were capitalized net of the deferred offering expenses paid to the underwriters in our initial global offering for an amount of US$442.5 million, and
- we obtained from a private placement transaction a capital contribution of US$95,000,000 representing 9,500,000 series A shares that were paid in.

We believe that our working capital is sufficient for our present requirements.

In July 2019, we completed a global offering consisting of a follow-on public offering in Mexico of our series A shares and an international public offering in the United States and other countries of our series A shares represented by American Depositary Shares on the NYSE for a total amount of 10,906,257 series A shares (including all over-allotment options). Our ADSs began trading on the NYSE on July 26, 2019, under the ticker symbol "VIST". The gross proceeds of the global offering amounted to approximately $101 million, before fees and expenses.

Indebtedness

As of December 31, 2020, we had total outstanding indebtedness of US$539.8 million.

On July 19, 2018, Vista Argentina, in its capacity as borrower, Vista, Vista Holding I, APCO Argentina and APCO International, as guarantors, entered into a syndicated term loan agreement (the "Credit Agreement") for an aggregate principal amount equal to US$300 million with the following syndicate of banks: Banco de Galicia y Buenos Aires S.A.U., Itaú Unibanco S.A.U., Nassau Branch, Banco Santander Rio S.A. and Citibank, N.A. (acting through its International Banking Facilities) (the "Lenders"). Vista Holding II and Aluvional Logística S.A. are also guarantors since October 2018 and February 2021, respectively.

The Credit Agreement consists of (i) a five year fixed rate tranche and (ii) a floating rate tranche. On July 19, 2018, Vista Argentina requested a loan disbursement in an amount equal to US$300 million pursuant to the Credit Agreement. The funds from the loans were used to (i) repay in full all of the outstanding loans, obligations, interests, fees, costs and expenses under the bridge loan agreement dated as of April 4, 2018, among Vista, as borrower, Vista Argentina, Vista Holding I, APCO Argentina, APCO International and Vista Holding II, as guarantors, and the Lenders for an aggregate principal amount of US$260 million (the "Bridge Loan"), (ii) for general corporate purposes and (iii) pay related transaction fees, costs and expenses. Vista used the proceeds from the Bridge Loan to finance a portion of the Initial Business Combinations.

The Credit Agreement is an unsecured facility that amortizes on a semi-annual basis beginning eighteen months after the disbursement date. On October 22, 2018, Vista Holding II became a guarantor and a loan party to the Credit Agreement, and on October 31, 2018, APCO Oil & Gas S.A.U. assumed the obligations of APCO International under the Guaranty in its capacity as the successor to APCO International (see "Item 4—Information on the Company—History and Development of the Company—Corporate Reorganization"). Pursuant to the terms of the Credit Agreement, Vista may be required from time to time to add additional material subsidiaries of Vista as Guarantors under the Credit Agreement. Any such Guarantors are subject to the affirmative and negative covenants and other restrictions applicable to loan parties under the Credit Agreement. See "Item 3—Key Information—Risk Factors—Our debt obligations include operating and financial restrictions, which may prevent us from pursuing certain business opportunities and taking certain actions." As of the date of this annual report, there is no default or event of default outstanding under the Credit Agreement.

On June 10, 2019, Vista Argentina, we, Vista Holding I, APCO Argentina, APCO International and Vista Holding II entered into an amendment (the "First Amendment") to the Credit Agreement with the Lenders and with Itaú Unibanco S.A., Nassau Branch, as administrative agent. The First Amendment provides us, the other Guarantors and Vista Argentina with, *inter alia*, additional flexibility to make certain investments in other loan parties and in third parties (subject to certain ceilings) and provides Vista Holding I with additional flexibility during the eighteen month period (ending on January 19, 2020) following the date of the Credit Agreement to make certain dividends and distributions to Vista and other persons (subject to certain ceilings).

On March 12, 2020, Vista Argentina, we, Vista Holding I and Vista Holding II entered into a further amendment (the "Second Amendment") to the Credit Agreement with the Lenders and with Itaú Unibanco S.A., Nassau Branch, as administrative agent. The Second Amendment provides for the adjusted consolidated net debt and adjusted consolidated EBITDA ratio to be tested on a consolidated basis at the level of Vista Holding I (excluding debt of Vista Holding I owing to us or any of the guarantors). Previously, such ratio excluded the indebtedness and EBITDA of Vista Holding I for testing purposes.

On July 17, 2020, Vista Argentina, we, Vista Holding I and Vista Holding II entered into a further amendment (the "Third Amendment") to the Credit Agreement with the Lenders and with Itaú Unibanco S.A., Nassau Branch, as administrative agent. The Third Amendment provides for, *inter alia,* amendments to certain provisions on mandatory prepayments, covenants, events of default and permitted refinanced indebtedness, as well as an increase of the additional indebtedness basket to US$ 30 million. The Third Amendment also provided for the deferral of payments of US$ 1.5 million and US$ 3.5 million from the principal amount owed to Citibank N.A. under the Credit Agreement. On March 12, 2021, Vista Argentina prepaid US$4,500,000 of principal that had been deferred in the Third Amendment.

On July 17, 2020, Vista Argentina, we, Vista Holding I and Vista Holding II entered into a syndicated loan agreement governed by Argentine law with Banco de Galicia y Buenos Aires S.A.U., Banco Santander Rio S.A., La Sucursal de Citibank, N.A. establecida en la República Argentina and Banco Itaú Argentina S.A., as lenders, and Banco de Galicia y Buenos Aires S.A.U, as administrative agent (the "Peso Loan"). On July 20, 2020, the first tranche was disbursed in the amount of AR$ 968,085,000. The second disbursement under this Peso Loan was made on January 20, 2021 in the amount of AR$ 2,331,720,000. The loans disbursed on the first disbursement date are to be repaid in a single installment on January 20, 2022, while the loans disbursed on the second disbursement date are to be repaid on July 20, 2022 and the loans disbursed on the second disbursement date are to be repaid on January 20, 2023. Vista Oil & Gas, S.A.B. de C.V., Vista Holding I, and Vista Holding II granted a guarantee governed by Mexican law to guarantee the obligations of Vista Argentina. On March 12, 2021, the first two tranches were prepaid in the amount of AR$ 968,085,000 and AR$ 2,331,720,000, respectively. On January 19, 2021, the parties to this Peso Loan agreed to amend certain definitions and financial commitments, while incorporating an additional tranche for the equivalent amount in Argentine Pesos of US$38,250,000, which disbursement is scheduled for July 20, 2021.

On January 19, 2021, Vista Argentina, we, Vista Holding I and Vista Holding II entered into a further amendment to the Credit Agreement (the "Amended and Restated Credit Agreement") with the Lenders and with Itaú Unibanco S.A., Nassau Branch, as administrative agent. The Amended and Restated Credit Agreement amends, *inter alia*, certain provisions that allow us and the rest of the borrowers refinance indebtedness following certain restrictions imposed by Communication "A" 7123 of the Argentine Central Bank and covenant provisions permitting capitalization of subsidiaries (including Aluvional Logistica S.A.).

On January 19, 2021, Vista Argentina entered into a bilateral loan agreement with Banco Santander International, for the amount of US$ 11,700,000, secured by cash collateral under two Pledge Agreements entered into (i) between Vista Argentina and Banco Santander International; (ii) among us and Banco Santander International. The Agreement provides for amortization payments on June 27, 2021; January 20, 2022 and January 20, 2026.

On March 1, 2021, Aluvional Logistica S.A. ("Aluvional") entered into the Credit Agreement as Guarantor, pursuant to a Guaranty Agreement between Aluvional and Itau Unibanco S.A., Nassau Branch, as administrative agent to the Credit Agreement. On the same date, a similar guaranty was executed by Aluvional under the Peso Loan.

On May 7, 2019 the shareholders of Vista Argentina approved the creation of a program for the issuance of short-, medium- or long-term, subordinated or unsubordinated, secured or unsecured, simple non-convertible debt securities, (*obligaciones negociables simples no convertibles en acciones*), for up to an aggregate principal amount at any time outstanding of US$800,000,000 or its equivalent in other currencies (the "Notes Program"). The Notes Program was approved by the Argentine Securities Commission (the *Comisión Nacional de Valores*, or the "CNV"). Accordingly, Vista Argentina may publicly offer and issue debt securities in Argentina.

On July 30, 2019, Vista Argentina entered into a loan agreement with Banco BBVA Argentina S.A. for an amount of US$15,000,000, at an annual fixed rate in of 9.4% and for a 36-month term. On July 15, 2020, Vista Argentina and Banco BBVA Argentina S.A. agreed to refinance 75% of the principal installments under the loan agreement which until such deferral were due between July 30, 2020 and June 30, 2021. On July 31, 2020, the first refinanced tranche was disbursed in the amount of AR$120,423,795, for a term of 18 months with quarterly amortization starting on the twelfth month, and a variable annual interest rate of Badlar plus a margin of 8%. On October 30, 2020, the second refinanced tranche was disbursed in the amount of AR$ 130,482,028, for a term of 18 months with quarterly amortization starting on the twelfth month, and a variable annual interest rate of Badlar plus a margin of 8%. On January 29, 2021, Vista Argentina received the disbursement of the third tranche in the amount of AR$145,359,714, at an annual variable interest rate of Badlar plus an additional margin of 8%, maturing on July 31, 2022. On March 12, 2021, the first two tranches were prepaid in the amount of AR$120,423,795 and AR$130,482,028, respectively.

On July 31, 2019, Vista Argentina issued a 24-month bullet bond for US$50 million at a flat interest rate of 7.88% per annum. In addition, on August 7, 2019, Vista Argentina issued a 36-month bullet bond for an additional US$50 million at a flat interest rate of 8.50% per annum. In February 2020, Vista Argentina issued an additional 4-year bullet bond for US$50 million at a flat interest rate of 3.50% per annum.

On August 7, 2020, Vista Argentina issued notes for a nominal amount of Argentine Pesos 725,650,000, at a variable interest rate equivalent to Badlar plus an applicable margin of 1.37% annual nominal amount, which principal will be fully amortized in a single installment on the maturity date, on February 7, 2022, and issued notes for a nominal amount of US$20,000,000, at a fixed annual nominal interest rate of 0%, the principal amount of which will be fully amortized in a single installment on the maturity date, on August 7, 2022.

On December 4, 2020, Vista Argentina issued notes for a nominal amount of US$10,000,000 Dollar Linked, at a fixed annual interest rate of 0%, the principal amount of which will be fully amortized in a single installment on the maturity date, on August 7, 2022, and also issued notes for a nominal amount of US$10,000,000, at a fixed annual nominal interest rate of 3.25%, whose principal will be fully amortized, in a single installment, on the maturity date, on December 4, 2024.

On March 10, 2021, Vista Argentina issued notes for a nominal amount of US$42,371,396, at a fixed annual nominal interest rate of 4.25%, whose principal will be fully amortized in a single installment on the maturity date, on March 10, 2024; and also issued notes for a nominal amount of 9,323,430 UVA (acquisitive value units), at a fixed annual nominal interest rate of 2.73%, whose principal will be fully amortized in a single installment on the maturity date, on September 10, 2024. On March 26, 2021, Vista Argentina issued additional notes for a nominal amount of 33.966.570 UVA (acquisitive value units) with the same terms of maturity and interest as the ones issued in UVA on March 10, 2021.

On September 11, 2019, the Board of Directors of the U.S. International DFC, formerly OPIC, approved the provision of up to US$300 million in financing to Vista Argentina for a ten-year period and US$150 million to Aleph Midstream for a ten-year period. This financing is still subject to the completion of definitive documentation and the fulfillment of conditions precedent. We intend to use the proceeds of such financing to fund capital expenditures relating to our development plan in the Bajada del Palo Oeste block and the related facilities. While the process for obtaining such financing has begun, no assurances can be given that OPIC will approve and grant such financing.

On December 12, 2019, Vista Argentina entered into a loan agreement with Banco BBVA Argentina S.A. for an amount of AR$725,000,000, at an annual fixed rate in Argentine pesos of 62.0% and for a three-month term. The loan was repaid on March 25, 2020.

On December 12, 2019, Vista Argentina entered into a loan agreement with Banco de Galicia y Buenos Aires S.A.U. for an amount of AR$600,000,000, at an annual floating interest rate in Argentine pesos of Adjusted Badlar base rate plus an applicable margin of 8.25% and for a 15-month term. The loan was prepaid on March 27, 2020.

On July 13, 2020, Vista Argentina entered into a loan agreement with Banco Macro S.A. in the amount of AR$ 1,800,000,000 for 12 months, with Badlar rate + 9% and maturity on July 13, 2021. The loan was prepaid on April 5, 2021 and April 9, 2021.

On January 11, 2021, Vista Argentina entered into a loan agreement with Banco de la Provincia de Buenos Aires in the amount of AR$ 450 million at a fixed annual interest rate of 40%, maturing on July 8, 2021. This loan was prepaid on March 26, 2021.

On January 19, 2021, Vista Argentina entered into a loan agreement with Banco de la Provincia de Buenos Aires in the amount of AR$ 300.0 million at a fixed annual interest rate of 41% maturing on July 16, 2021. This loan was prepaid on March 26, 2021.

On April 23, 2021, Vista Argentina entered into a loan agreement with BYMA for AR$ 668 million, at an annual interest rate of 32.26% and for a 3-day period. As part of this transaction, government bonds and U.S. treasury bonds were pledged as collateral.

On April 23, 2021, Vista Argentina entered into a loan agreement with BYMA for AR$ 83 million, at an annual interest rate of 32.20% and for a 3-day period. As part of this transaction, government bonds were pledged as collateral.

On April 23, 2021, Vista Argentina entered into a loan agreement with BYMA for AR$ 3.916 million, at an annual interest rate of 32.19% and for a 3-day period. As part of this transaction, U.S. treasury bonds were pledged as collateral.

On April 23, 2021, Vista Argentina entered into a loan agreement with BYMA for AR$ 299 million, at an annual interest rate of 32.18% and for a 3-day period. As part of this transaction, U.S. treasury bonds were pledged as collateral.

Capital Expenditures

The amount and allocation of future capital expenditures will depend upon a number of factors, including our cash flows from operating, investing and financing activities and our ability to execute our drilling program. We periodically review our capital expenditure budget to assess changes in current and projected cash flows, debt requirements and other factors. If we are unable to obtain funds when needed or on acceptable terms, we may not be able to finance the capital expenditures necessary to maintain our production or proved reserves. We intend to fund our capital expenditures with cash generated from our operations, cash on hand, and debt and equity financing.

Because we operate a high percentage of our acreage, capital expenditure amounts (in addition to our capital expenditures committed under our concessions) and timing are largely discretionary and within our control. We determine our capital expenditures depending on a variety of factors, including, but not limited to, existing commitments under the concessions, the success of our drilling activities, prevailing and anticipated prices for oil and natural gas, the availability of necessary equipment, infrastructure and capital, the receipt and timing of required regulatory permits and approvals, seasonal conditions, drilling and acquisition costs and the level of participation by other working interest owners. A deferral of planned capital expenditures, particularly with respect to drilling and completing new wells, could result in a reduction in anticipated production and cash flows. Moreover, we may be required to unbook some portion of our current proved undeveloped reserves if such deferral of planned capital expenditures implies that we will be unable to develop such reserves within five years of their initial booking.

During the year ended December 31, 2020, we made total capital expenditures of US$223.9 million. During the year ended December 31, 2019, we made total capital expenditures of US$224.1 million. During the nine-month period ended December 31, 2018, we made total capital expenditures of US$123.7 million. During the three-month period ended March 31, 2018, we made total capital expenditures of US$6.3 million (information corresponding to all assets acquired in the Initial Business Combination).

As part of the terms and conditions governing the concession agreements relating to our oil and gas properties in Argentina, we are committed to making capital investments for drilling and completing wells, performing well workovers and investing in facilities. We have estimated the amount of capital expenditures required to comply with our commitments under such concessions based on the historical costs of drilling and completing wells, performing well workovers and investing in facilities. According to our best estimates, we anticipate our capital expenditures required to comply with our commitments under the concessions to be approximately US$138.7 million from December 31, 2019 through December 31, 2022. We may elect to defer in whole or in part the capital investments in Argentina that we had originally scheduled for 2021, depending on how the contraction of crude oil demand and the drop in international and domestic prices evolve during 2021. For more information on these investment commitments, see Note 30 to our Audited Financial Statements.

We have also committed to make certain capital investments in our three blocks in Mexico. We have estimated that we will be required to make capital expenditures at our working interest for an estimated amount of US$20.6 million. Capital commitments in the Mexican blocks should be completed in 24 months since the approval of each of the explorations plans by CNH (CNH provided 4 additional months to complete capital commitments due

to the impact of the COVID-19 pandemic). The CS-01 exploration plan was approved by CNH in February 2019, the TM-01 exploration plan was approved by CNH in February 2019, and the A-10 exploration plan was approved by CNH in August 2019. We may elect to defer in whole or in part the capital investments in Mexico that we had originally scheduled for 2021, depending on how the contraction of crude oil demand and the drop in international and domestic prices evolve during 2021. See "Item 3—Key Information—Risk Factors—We are exposed to contractions in the demand of crude oil and natural gas and contractions in the demand of any of their by-products."

Cash Flows

The following table sets forth our cash flows for the periods indicated:

	Successor		Predecessor	
	For the year ended December 31, 2020	For the year ended December 31, 2019	For the period from April 4, 2018 to December 31, 2018	For the period from January 1, 2018 to April 3, 2018
Cash flows provided by (used in)				
Operating activities	93,779	134,258	125,522	22,279
Investing activities	(156,099)	(235,009)	(857,250)	(8,943)
Financing activities	30,892	266,301	141,544	—
Net (decrease) increase in cash and cash equivalents	**(31,428)**	**165,550**	**(590,184)**	**13,336**

The ability of our Argentine entities to purchase non-Argentine currency in Argentina and to transfer any funds in the form of dividends, loans or advances to any non-Argentine entities (including affiliates) is subject to certain foreign exchange restrictions, as further described in "Risks Related to the Argentine and Mexican Economies and Regulatory Environments – Current Argentine exchange controls and the implementation of further exchange controls could adversely affect our results of operations" and "Exchange Controls – Payments of principal and interest of foreign financial indebtedness".

Cash Flows Provided by Operating Activities

For the year ended December 31, 2020, net cash generated by operating activities was US$93.8 million, mainly due to loss for the period of US$102.7 million adjusted for non-cash items (mainly relating to depreciation charges, net exchange differences, share-based payment expense, interest expense, impairment of long-lived assets, changes in the fair value of warrants and accrued income tax) and a US$2.4 million inflow of accounts payable and other payables, which was partially offset by an outflow of income tax paid of US$4.7 million.

For the year ended December 31, 2019, net cash generated by operating activities was US$134.3 million, mainly due to the loss for the period of US$32.7 million adjusted for non-cash items (mainly relating to depreciation charges, net exchange differences, share-based payment expense, interest expense and accrued income tax), which was partially offset by a decrease of US$22.1 million in accounts payable and other payables and income tax payments of US$26.3 million.

For the 2018 Predecessor Period, net cash generated by operating activities was US$22.3 million, mainly due to the loss for the period of US$6.6 million adjusted for non-cash items of US$20.8 million (mainly relating to depreciation charges, net exchange differences and accrued income tax), which was partially offset by a decrease of US$1.0 million in accounts payable, accrued liabilities and other payables, decreases in inventory of US$2.3 million and trade and other receivables of US$9.7 million, and income tax payments of US$0.99 million.

For the 2018 Successor Period, net cash provided by operating activities was US$125.5 million, mainly generated by the net loss for the period of US$26.4 million, adjusted for non-cash items of US$165.2 million (mainly relating to depreciation charges and the accrued income tax), an increase of US$32.9 million in trade and other receivables, an increase of US$33.7 million in accounts payable, accrued liabilities and other payables, a decrease in inventory of US$11.0 million and income tax payments of US$16.6 million.

Cash Flows Used in Investing Activities

For the year ended December 31, 2020, net cash used in investing activities was US$156.1 million, mainly due to payments for acquisition of property, plant and equipment for US$153.3 million. The cash flow used in Investing Activities was mainly spent in the development of Vaca Muerta in Bajada del Palo Oeste.

For the year December 31, 2019, net cash used in investing activities was US$235.0 million, mainly attributable to payments for acquisition of property, plant and equipment for US$240.3 million. The cash flow used in Investing Activities was mainly spent in the development of Vaca Muerta in Bajada del Palo Oeste.

For the 2018 Predecessor Period, net cash used in investing activities was US$8.9 million, mainly attributable to payments for acquisition of property, plant and equipment of US$12.5 million and acquisition of other financial assets for US$8.2 million, partially offset by proceeds from sales of other financial assets of US$11.4 million.

For the 2018 Successor Period, cash used in investing activities was US$857.2 million, resulting mainly from the net cash outflow used to finance the acquisitions of US$725.2 million plus additional capital expenditures of US$117.8 million and other intangible assets of US$31.5 million partially offset by proceeds from sales of other financial assets of US$16.7 million.

Cash Flows Provided by (used in) Financing Activities

For the year ended December 31, 2020, cash provided by financing activities was US$30.9 million, which were primarily generated by the proceeds from borrowings for US$201.7 million, which was partially offset by the payment of US$98.8 million in the principal amount of certain borrowings and interest payments of US$43.8 million.

For the year ended December 31, 2019, cash provided by financing activities was US$266.3 million, primarily generated by proceeds from capitalization of series A shares net of issue costs for US$146.1 million and proceeds from borrowings for US$234.7 million and partially offset by payments of borrowings' principal for US$90.2 million and payments of borrowings' interest for US$32.4 million.

For the 2018 Predecessor Period, cash provided by financing activities was nil.

For the 2018 Successor Period, cash provided by financing activities was US$141.5 million, primarily generated from the proceeds of loans and borrowings for an amount of US$560.0 million, including the proceeds received from the Credit Agreement, and the proceeds from the private investment for an amount of US$95.0 million, which were partially offset by US$204.6 million paid for the redeemable series A shares (net of offering expenses) and the repayment of US$260.0 million of the outstanding principal amount of the Bridge Loan.

ITEM 5C. RESEARCH AND DEVELOPMENTS, PATENTS AND LICENSES, ETC.

Non applicable.

ITEM 5D. TREND INFORMATION

See "Item 4—Information on the Company—Industry and Regulatory Overview".

In addition to the information set forth in this section, additional information about the trends affecting our business can be found in "Item 3—Key Information—Risk Factors—Risks Related to our Business and Industry" You should also read our discussion of the risks and uncertainties that affect our business in "Item 3—Key Information—Risk Factors—Risks Related to the Argentine and Mexican Economies and Regulatory Environments" including matters related to potential risks and disruptions related to the COVID-19 pandemic.

ITEM 5E. OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet agreements.

ITEM 5F. TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

The following table sets forth information with regard to our commitments under financial and commercial contracts for the periods indicated below, as of December 31, 2020:

	Less than 1 year	1-3 years	3-5 years	More than 5 years	Total
Syndicated Loan [1]	103,262	199,348	—	—	302,610
Other borrowings [1]	103,809	113,589	60,550	—	277,948
Leases obligations [2]	7,078	11,445	5,524	12,174	36,221
Investments commitments [3]	85,718	58,092	2,963	—	146,773
Employee pension plan liabilities [4]	901	1,788	1,769	4,239	8,697
Total	300,768	384,262	70,806	16,413	772,249

(1) Corresponds to principal and interest that the Company must pay during the term of the loans as of December 31, 2020. Includes estimates related to floating rate interest and exchange differences that could affect the amount of the obligations in the future.

(2) Corresponds to minimum lease payments with respect to non-cancellable operating leases, for which some of them the Company has initiated certain renegotiations.

(3) Estimated allocation of our investment commitments with government authorities under concessions and under joint operations as stated in note 30.4 to the Audited Financial Statements. However, as the impact of COVID-19 on our operations is uncertain and our actual capital expenditures for the year 2021 may differ from such estimates. See "Item 5—Operating and Financial Review and Prospects—Liquidity and Capital Resources—Capital Expenditures."

(4) Estimated expected benefits payments for the next ten years. The amounts in the table represent the undiscounted cash flows and therefore do not reconcile to the obligations recorded at the end of the year. See Note 23 to the Audited Financial Statements.

This table does not include concessions, easements and canons payable to the provinces for the exploitation areas.

Since December 31, 2020, there have not been material changes in our commitments under financial and commercial contracts. See "Item 5—Indebtedness."

ITEM 5G. SAFE HARBOR

See the discussion at the beginning of this annual report under the heading "Forward-Looking Statements" for forward-looking statement safe harbor provisions.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

Board of Directors

Under the Mexican Securities Market Law, public companies must have a board of directors comprised of no more than 21 members, of which at least 25% must be independent. Independent members must be selected based on their experience, ability and reputation at the issuer's shareholders' meeting; whether or not a director is independent must be determined by the issuer's shareholders and such determination may be challenged by the CNBV. The Mexican Securities Market Law permits then-acting members of the board of directors (as opposed to shareholders) to select, under certain circumstances and on a temporary basis, new members of the board of directors.

Boards of directors of public companies are required to meet at least four times during each calendar year and have the following principal duties:

- determine general strategies applicable to the issuer;
- approve guidelines for the use of corporate assets;
- approve, on an individual basis, transactions with related parties, subject to certain limited exceptions;

- approve unusual or exceptional transactions and any transactions that imply the acquisition or sale of assets with a value equal to or exceeding 5% of the issuer's consolidated assets or that imply the provision of collateral or guarantees or the assumption of liabilities equal to or exceeding 5% of the issuer's consolidated assets;
- approve the appointment or removal of the chief executive officer;
- approve waivers in respect of corporate opportunities;
- approve accounting and internal control policies;
- approve the chief executive officers' annual report and corrective measures for irregularities; and
- approve policies for disclosure of information.

Directors have the general duty to act for the benefit of the issuer, without favoring a shareholder or group of shareholders.

Our board of directors is responsible for the management of our business and is comprised of six members, four of which are independent. Set forth below are the name, age, position and biographical description of each of our current directors. Our directors were appointed by the unanimous consent of our shareholders on July 28, 2017, except for Pierre-Jean Sivignon, who was appointed by our board of directors on May 10, 2018 and ratified by the shareholders on April 25, 2019.

Name	Position	Independent*	Age	Term Expires on
Miguel Galuccio	Chairman	No	53	No expiration date
Kenneth Ryan	Director	No	48	No expiration date
Susan L. Segal	Director	Yes	68	No expiration date
Mauricio Doehner Cobian	Director	Yes	46	No expiration date
Pierre-Jean Sivignon	Director	Yes	64	No expiration date
Mark Bly	Director	Yes	62	No expiration date

* Independent under NYSE standards, applicable SEC rules and the CNBV Rules.

Miguel Galuccio serves as our Chairman and Chief Executive Officer. Mr. Galuccio is currently an independent member of the board of directors of Schlumberger, a global oil services firm. Mr. Galuccio served as the Chairman and Chief Executive Officer of YPF, Argentina's largest oil company, from May 2012 to April 2016, which under his leadership became the largest producer of hydrocarbons from shale formations globally outside North America. Prior to joining YPF, Mr. Galuccio was an employee of Schlumberger and held a number of international positions in North America, the Middle East, Asia, Europe, Latin America, Russia and China, his last being President of Schlumberger Production Management. Other senior roles held by Mr. Galuccio at Schlumberger include President of Integrated Project Management, General Manager for Mexico and Central America and Real Time Reservoir Manager. Prior to his employment at Schlumberger, he served in various executive positions at YPF and its subsidiaries, including YPF International, where he participated in its internationalization process as Manager within Maxus Energy. Mr. Galuccio is a founder and board member at GridX, a company that invests in next generation biotech start-ups. Mr. Galuccio holds a bachelor's degree in petroleum engineering from the Instituto Tecnológico de Buenos Aires in Argentina.

Kenneth Ryan serves as member of our board of directors. Until 2021, Mr. Ryan was a Partner, head of corporate development at Riverstone. He is based in New York. Prior to joining Riverstone, he worked for Gleacher & Company/Gleacher Partners in both London and New York, most recently as Managing Director and co-head of Investment Banking. Prior to Gleacher, Mr. Ryan worked in the investment banking division of Goldman Sachs in London and New York. Mr. Ryan received his degree in law from the University of Dublin, Trinity College.

Susan L. Segal serves as an independent member of our Board of Directors. Ms. Segal was appointed President and CEO of Americas Society / Council of the Americas in 2003, after working in the private sector in Latin America and other emerging markets for more than 30 years. Prior to her current appointment, she was a Partner at Chase Capital Partners / JPMorgan Partners with a focus on private equity in Latin America and pioneering venture capital investments in the region. During her career as a banker, she focused in investment banking, founding a trading unit for emerging market bonds and, was actively involved in the Latin American debt crisis in the 1980s and 1990s, serving as President of the Board for the Advisory Committees of Chile and the Philippines. Ms. Segal is a member of the Board of Americas Society / Council of the Americas, the Tinker Foundation, Scotiabank, Mercado Libre and Ribbit Leap Ltd., as well as Chairman of the Board of Scotiabank USA, a wholly-owned private subsidiary of ScotiaBank. She is also a member of the Council on Foreign Relations. Ms. Segal graduated from Sarah Lawrence University and received a master's degree in business administration from Columbia University in the United States. In 1999, she was awarded the Orden Bernardo O'Higgins, Grado de Gran Oficial in Chile. In 2009, Colombia honored her with the Orden de San Carlos. In 2012, Mexico bestowed on her the Orden Mexicana del Águila Azteca. In 2013, the North American-Chilean Chamber of Commerce recognized her as the Honorary Chilean of the Year. In 2018, Susan was awarded Peru's Order of "Merit for Distinguished Services" in the rank of Grand Official.

Mauricio Doehner Cobian serves as an independent member of our Board of Directors. Mr. Doehner has been Executive Vice President of Corporate Communication, Public Affairs and Social Impact at CEMEX since May 2014 and is a member of its Executive Committee, reporting directly to the CEO. Mr. Doehner began work with CEMEX in 1996 and has held various executive positions in areas such as Strategic Planning, Institutional Relations and Communications and Business Risk Management for Europe, Asia, Middle East, South America, and Mexico. While acting in such capacities, he has led interactions and collaboration with several governments worldwide, as well as engaging in evaluation of tax structures, public policy initiatives, corporate social responsibility, communications, and crisis management. Further, he worked in Mexico's Presidential Administration in 2000, leading its relationship with Mexican NGO's, dealing with diverse issues such as government reforms and the national budget. Mr. Doehner also worked at Violy Byorum & Partners Investment Bank. Currently, he is the Vice President of the Mexican Employers' Confederation (COPARMEX), Vice-president of the Confederation of Industrial Chambers (CONCAMIN) and a member of the boards of the Trust for the Americas organization affiliated to the Organization of American States (OAS), the Center of Citizen Integration (CIC), the Industrials Club of Monterrey, the Museum of Modern Art of Monterrey (MARCO) and a member of the GAP Group within the Consejo Mexicano de Negocios (CMN). Mr. Doehner leads a seminar on economic, financial and political analysis at Tecnológico de Monterrey and is a Board Member of Tec Milenio. He is also a contributor to Expansión Magazine. Mr. Doehner holds a bachelor's degree in economics from Tecnológico de Monterrey, a master's degree in business administration from IESE/IPADE, a professional certificate in competitive intelligence from the FULD Academy of Competitive Intelligence in Boston, Massachusetts and, a Master in Public Administration from Harvard Kennedy School.

Pierre-Jean Sivignon serves as an independent member of our Board of Directors. Mr. Pierre-Jean Sivignon was an advisor to the Chairman and CEO of Carrefour Group in Paris until December 2018, where he previously held the positions of Deputy CEO, CFO and Member of the Executive Board as well as Chairman of the Board of their publicly traded subsidiary in Brazil. Prior experience includes positions as the Chief Financial Officer, Executive Vice President, Member of the Board of Management at both Royal Philips Electronics in Amsterdam and at Faurecia Group in Paris. He also held various high level financial and managerial positions with the Schlumberger Group in different locations, including New York and Paris. Mr. Sivignon is an independent director at the Supervisory Board of Imperial Brands plc, traded in the London Stock Exchange and, in the past, he was a member of the board of directors of Imerys and Technip FMC, both companies traded on the Paris Stock Exchange. Mr. Sivignon graduated from French baccalaureate with honors in France and received an MBA from ESSEC (Ecole Superieure des Sciences Economiques et Commerciales) also in France.

Mark Bly serves as an independent member of our Board of Directors. Mr. Bly has more than 30 years of experience in the oil and gas industry, and is currently the non-executive Chairman of the Board of Baytex Energy Corp, an oil and gas company based in Calgary, Canada. Previously , he occupied various executive positions at an international level at British Petroleum ("BP"). Mr. Bly's last role at BP was Executive Vice President of Safety and Operational Risk, where he led a global effort that resulted in safety and reliability improvements in the operating units of BP after the Deepwater Horizon incident in the Gulf of Mexico in 2010. Mr. Bly also led the internal investigation of the 2010 incident, and is the author of the "Bly Report," which came to define the understanding of the event by the industry and represented the founding of the new global drilling practices program at BP. Mr. Bly had previously been a part of BP's E&P Executive Group, responsible for monitoring an international portfolio with units in Angola, Trinidad, Egypt, Algeria and the Gulf of Mexico. During his earlier years at BP, Mr. Bly led several key E&P units in Alaska, the North Sea and in North America. Mr. Bly received a master's degree in structural engineering from the University of California at Berkeley and a bachelor's degree in civil engineering from the University of California at Davis.

As provided in our bylaws, members of the Board of Directors appointed by shareholders at the time they authorized our initial global offering, shall remain in office at least until August 9, 2019.

For a detailed description of the operation and authorities of our board of directors, see "Item 5—Operating and Financial Review and Prospects—Directors, Senior Management and Employees—Board of Directors."

Duties and Liabilities of Directors

The Mexican Securities Market Law also imposes duties of care and loyalty on directors.

The duty of care generally requires that directors obtain sufficient information and be sufficiently prepared to support their decisions and to act in the best interest of the issuer. The duty of care is discharged, principally, by requesting and obtaining from the issuer and its officers all the information required to participate in discussions, obtaining information from third parties, attending board meetings and disclosing material information in possession of the relevant director. Failure to act with care by one or more directors subjects the relevant directors to joint liability with the other directors involved in an action for damages and losses caused to the issuer and its subsidiaries, which may be limited (except in the instances of bad faith, or illegal acts or willful misconduct) under the company's bylaws or by resolution of a shareholders' meeting. Liability for a breach of the duty of care may also be covered by indemnification provisions and director and officer liability insurance policies.

The duty of loyalty primarily consists of a duty to maintain the confidentiality of information received in connection with the performance of a director's duties and to abstain from discussing or voting on matters where the director has a conflict of interest. In addition, the duty of loyalty is breached if a shareholder or group of shareholders is knowingly favored or if, without the express approval of the board of directors, a director takes advantage of a corporate opportunity. The duty of loyalty is also breached if a shareholder or group of shareholders is knowingly favored, if the director discloses false or misleading information or fails to register any transaction in the issuer's records that could affect its financial statements or causes material information not to be disclosed or to be modified. The duty of loyalty is also breached if the director uses corporate assets or approves the use of corporate assets in violation of an issuer's policies. The violation of the duty of loyalty subjects the offending director to joint liability for damages and losses caused to the issuer and its subsidiaries. Liability also arises if damages and losses result from benefits obtained by the directors or third parties, as a result of activities carried out by the directors. Liability for breach of the duty of loyalty may not be limited by the company's bylaws, by resolution of a shareholders' meeting or otherwise.

Claims for breach of the duty of care or the duty of loyalty may be brought solely for the benefit of the issuer (as a derivative suit) and may only be brought by the issuer or by shareholders representing at least 5% of any outstanding shares.

As a safe-harbor for directors, the liabilities specified above will not be applicable if the director acted in good faith and (i) complies with applicable law and the bylaws, (ii) acted based upon information provided by officers, external auditors or third-party experts, the capacity and credibility of which may not be the subject of reasonable doubt, (iii) selected the more adequate alternative in good faith or in a case where the negative effects of such decision may not have been foreseeable, based upon the then available information, and (iv) actions were taken in compliance with resolutions adopted at the shareholders' meeting.

Under the Mexican Securities Market Law, the issuer's chief executive officer and principal executives are also required to act for the benefit of the company and not of a shareholder or group of shareholders. Principally, these executives are required to submit to the board of directors for approval the principal strategies for the business, to submit to the audit committee proposals relating to internal control systems, to disclose all material information to the public and to maintain adequate accounting and registration systems and internal control mechanisms.

Board Committees

The Mexican Securities Market Law requires us to have an Audit and Corporate Governance Committee, which must be composed of at least three independent members under the Mexican Securities Market Law. We believe that all of the members of the Audit and Corporate Governance Committee are independent under the Mexican Securities Market Law and comply with the requirements of Rule 10A-3 of the Exchange Act. On May 10, 2018, the Board created a Compensation Committee.

Audit Committee

Members of our audit committee were appointed by the unanimous consent of our shareholders on July 28, 2017, except for Mr. Pierre-Jean Sivignon who was appointed as new member of the committee by the Board on May 10, 2018, to replace Mr. Anthony Lim, who resigned effective such date. Mr. Sivignon was also nominated by the Board to chair the Audit Committee. On November 2020, Mrs. Susan Segal left her seat at the Audit Committee. The current members of our audit committee are:

- Pierre-Jean Sivignon (chair);
- Mauricio Doehner Cobian; and
- Mark Bly.

There is no expiration date on the term of the appointment of the members of our audit committee. For a detailed description of the operation and authorities of our audit committee, see "Item 10—Additional Information—Shareholder's Meetings—Audit and Corporate Practices Committees."

Corporate Practices Committee

Members of our corporate practices committee were appointed by the unanimous consent of our shareholders on July 28, 2017. The current members of our corporate practices committee are:

- Mauricio Doehner Cobian (chair);
- Pierre-Jean Sivignon;
- Susan L. Segal; and
- Mark Bly.

There is no expiration date on the term of the appointment of the members of our corporate practice committee. For a detailed description of the operation and authorities of our audit committee, see "Item 10—Additional Information—Description of the Series A Shares and Bylaws—Shareholder's Meetings—Audit and Corporate Practices Committees."

Compensation Committee

On May 10, 2018, the Board created a Compensation Committee with the intention of (i) setting the compensation strategy for our executive officers and directors, (ii) setting compensation levels for the CEO, and (iii) approving compensation policies for C-suite executives upon CEO recommendation. The current members of our compensation committee are:

- Susan L. Segal (chair);
- Pierre-Jean Sivignon;
- Mauricio Doehner Cobian; and

- Mark Bly.

For a detailed description of the operation and authorities of our audit committee, see "Item 10—Additional Information—Description of the Series A Shares and Bylaws—Shareholder's Meetings—Audit and Corporate Practices Committees."

Agreements with Directors

There are no agreements between us and the members of our Board of Directors that provide for any benefits upon termination of their designation as directors. None of our directors maintains service contracts with us except as described in "Principal Shareholders" and "Related Party Transactions."

Management Team

The following table sets forth the members of our Management Team as of the date of this annual report, which were designated on August 1, 2017.

Name	Position	Age
Miguel Galuccio	Chairman and Chief Executive Officer	53
Pablo Manuel Vera Pinto	Chief Financial Officer	43
Juan Garoby	Chief Operations Officer	50
Alejandro Cherñacov	Strategic Planning and Investor Relations Officer	39

The Management Team set forth in the table above were designated to their respective positions prior to the Initial Business Combination and continued to hold their positions following its consummation on April 4, 2018. From April 4, 2018 to March 31, 2020, Gastón Remy was a member of the Management Team (from April 4, 2018 to November 2019 as the Chief Executive Officer of Vista Argentina and from November 2019 to March 31, 2020 as Corporate Director of Vista).

Mr. Javier Rodríguez Galli is our general counsel and he is not part of the Management Team, as such term is used in this annual report.

Miguel Galuccio. See "Item 5—Operating and Financial Review and Prospects—Directors, Senior Management and Employees—Board of Directors—Miguel Galuccio."

Pablo Manuel Vera Pinto serves as our Chief Financial Officer since August 1, 2017, and has been involved with us since our incorporation on March 22, 2017. Mr. Vera Pinto was previously the Head of Business Development at YPF Argentina from October 2012 to February 2017 and, prior to that, served as Director of Transformation at YPF from May 2012 until September 2012. Mr. Vera Pinto was a member of the board of directors of the fertilizer company Profertil (a joint venture between Agrium of Canada and YPF), power generation company Central Dock Sud S.A. (a joint venture between Enel of Italy, YPF and Pan American Energy) and gas distributor Metrogas S.A. (controlled by YPF, acquired from British Gas in 2012). Overall, Mr. Vera Pinto led the execution of over 20 mergers and acquisitions transactions during his time at YPF. Previously, Mr. Vera Pinto worked with Leadgate Investment Corp., a private investment firm focused on restructuring acquired businesses where he had experience as Restructuring Manager, Chief Financial Officer and General Manager of the firm's controlled businesses. Mr. Vera Pinto also worked for management consultancy McKinsey & Company in Europe and investment banking firm Credit Suisse First Boston NA based in New York. Mr. Vera Pinto holds a bachelor's degree in economics from Universidad Torcuato Di Tella in Buenos Aires, Argentina and a master's degree in business administration from INSEAD in Fontainebleau, France.

Juan Garoby serves as our Chief Operations Officer since August 1, 2017, and has been involved with us since our incorporation on March 22, 2017. Mr. Garoby served as Interim Vice President of Exploration & Production of YPF from August 2016 to October 2016, Head of Drilling and Completions from April 2014 to August 2016 and Head of Unconventional from June 2012 to April 2014, (when he also served as President of YPF Servicios Petroleros S.A., a YPF-owned drilling contractor). Prior to his time at YPF, Mr. Garoby worked at Schlumberger as

Operations Manager for Europe and Africa. Mr. Garoby has also held several positions at Baker Hughes, including Director of Baker Hughes do Brasil, Country Manager of Baker Hughes Centrilift Brazil and Country Manager of Baker Hughes Centrilift Ecuador & Peru, among others. Mr. Garoby holds a bachelor's degree in petroleum engineering from the Instituto Tecnológico de Buenos Aires in Argentina.

Alejandro Cherñacov serves as our Strategic Planning and Investor Relations Officer since August 1, 2017, and has been involved with us since our incorporation on March 22, 2017. Mr. Cherñacov served as Chief Financial Officer at Jagercor Energy Corp, a small-cap Canadian Securities Exchange-listed E&P company from January 2015 to February 2017. Previously, Mr. Cherñacov served as Investor Relations Officer of YPF, where he was responsible for repositioning the company in the local and international capital markets. Mr. Cherñacov previously held several positions in YPF's E&P department where his last role was being in charge of the upstream portfolio management process, which covered Argentina, Brazil and Bolivia. Mr. Cherñacov holds a bachelor's degree in economics from the Universidad de Buenos Aires, a master's degree in finance from the Universidad Torcuato Di Tella in Buenos Aires and a strategic decision and risk management professional certificate from Stanford University in Palo Alto, California.

Javier Rodríguez Galli serves as our General Counsel since August 1, 2017. Mr. Rodríguez Galli is a partner at the firm Bruchou, Fernández Madero & Lombardi – Abogados with offices in Buenos Aires, Argentina where he has led the Oil and Gas practice area since joining the firm in 2005. In recent years he has been legal counsel for various international oil companies that have invested in Argentina, attracted by the development of shale hydrocarbons. In December 2014, he advised PETRONAS, the national oil company of Malasia, in its negotiations and agreements with YPF that led to the joint venture between these two companies in the La Amarga Chica area in Neuquén, to produce shale. Currently, he is a member of the board of Petronas E&P Argentina, S.A. Additionally, he has participated in multiple national and international negotiations related to oil and gas acquisitions, divestments, joint ventures and strategic alliances and has extensive experience in corporate matters. From 1999 until 2005, he was general counsel of Molinos Río de la Plata, an Argentine leader in food and commodities controlled by the Pérez Companc family. From 1993 to 1999, he was an in-house lawyer at YPF, S.A., the largest oil and gas company in Argentina, providing legal services to its international business development group. Mr. Rodríguez Galli graduated with honors from the Law School of Universidad de Buenos Aires in 1991, obtained a master's degree from the London School of Economics in 1993 and a diploma from the College of Petroleum and Energy Studies at Oxford University in 1996.

Actions by our Management Team

Our Chief Executive Officer and the other relevant officers (including members of our Management Team) are required under the Mexican Securities Market Law to focus their activities on maximizing shareholder value in our Company. Our Chief Executive Officer and senior management may be held liable for damages to us, our subsidiaries and others for the following: (i) favoring a single group of shareholders, (ii) approving transactions between us, or our subsidiaries, with related persons without complying with applicable legal requirements, (iii) taking advantage of our subsidiaries' assets for their own personal gain contrary to Company policy (or authorizing a third party to do so on their behalf), (iv) making inappropriate use of our, or our subsidiaries' non-public information or (v) knowingly disclosing or revealing false or misleading information.

Our Chief Executive Officer and the other relevant officers (including members of our Management Team) are required under the Mexican Securities Market Law to act for the benefit of our Company and not that of a particular shareholder or group of shareholders. Our Chief Executive Officer is also required to (i) implement the instructions of our shareholders (as delivered during a shareholders' meeting) and our board of directors, (ii) submit to our board of directors for approval the principal strategies for the business, (iii) submit to the audit and corporate practices committees proposals for systems of internal control, (iv) disclose all material information to the public and (v) maintain adequate accounting and registration systems and mechanisms for internal control. Our Chief Executive Officer and the members of the other relevant officers (including members of our Management Team) are also subject to the same fiduciary duty obligations as our directors.

Supplemental Information on the Management Teams of our Subsidiaries and Former Member of the Management Team

The following table sets forth the members of the management team of our subsidiaries as of the date of this annual report:

Name	Position	Age
Alex García	Chief Executive Officer Vista Mexico	47

Alex García is the chief executive officer of our Mexican branch, and has 22 years of experience in the oil and gas industry. He worked for 19 years at Schlumberger, where he held several management positions in the Schlumberger Production Management (SPM) and the Schlumberger Integrated Project Management (IPM) groups. Mr. García led the SPM Operations in Mexico for four years and throughout the implementation of the recent energy reform in Mexico. He managed the IPM & SPM business in Latin America, leading projects such as a partnership with Ecopetrol and the re-development of one of the largest oil fields in Ecuador. He was the director of the Chicontepec I and Chicontepec II drilling projects (Eastern Mexico) and Deputy Project Manager in Burgos (Northern Mexico). He also led the bidding team that was awarded with the Chicontepec II tender. In the earlier years of his career, he held different positions as Drilling Engineer and QHSE Manager in Indonesia, Oman, Venezuela, Qatar, France and Peru. Mr. García holds a Mechanical Engineering Degree from Universidad Simon Bolívar (Venezuela) and an MBA from INSEAD Business School (France & Singapore).

Gastón Remy served as Vista Argentina's Chief Executive Officer from April 4, 2018 until November 2019 and as our Corporate Director until March 31, 2020. Mr. Remy was the president of Dow Argentina, and south region of Latin America (Argentina, Bolivia, Chile, Paraguay, and Uruguay) from the beginning of 2014 until his departure in March 2018. He joined Dow in 2002 as a Manager of Legal Affairs and in 2015 he moved to Buenos Aires as a Director of Legal Affairs for the south region in Latin America. In 2006 he also led Public Affairs and Government relations in the same area. Two years later he moved to Midland where he was Director for global projects, mergers and acquisitions at the Legal department. Then, in 2011 he moved to Sao Paulo as a Legal Director for Latin America, prior to return to Argentina in 2014. Mr. Remy is the President for the Instituto para el Desarrollo Empresarial de la Argentina (IDEA) and was the President for the 53° Coloquio Anual in 2017. He is a lawyer from Universidad de Buenos Aires, and holds an LLM from Columbia University, New York. In 2016, he was recognized as a CEO of the year, an award given by PwC, El Cronista newspaper, and Apertura magazine.

Family Relationships

There are no family or kinship relationships among our directors and the members of our Management Team.

Compensation

During the year ended December 31, 2020, the aggregate remuneration paid by the Issuer to Key Management Personnel for services in all capacities to the Issuer and its subsidiaries during 2020 was US$16.0 million.

Long Term Incentive Plan

On March 22, 2018, a shareholders' meeting authorized our Long Term Incentive Plan (the "Plan"). The purpose of the plan is to provide the means for the Company and its subsidiaries to attract and retain talented people as officers, directors, employees and consultants which are key to the Company and its subsidiaries, enhancing the profitable growth of the Company and its subsidiaries. That same shareholders' meeting vested our Board of Directors with the authority to administer the Plan and approved the reservation of 8,750,000 series A shares issued by the Company on December 18, 2017, for the implementation of the Plan. Share purchase plans are classified as equity-settled transactions on the grant date. As of the date of this annual report, 5,187,930 Restricted Stock and 9,160,581 Stock Options were granted under the Plan. The exercise prices and expiration dates of the Stock Options granted under the Plan are as follows (i) 1,330,527 Stock Options at an exercise price of US$10.00 per series A share, expiring on April 4, 2023, (ii) 2,663,463 Stock Options at an exercise price of US$6.70 per series A share, expiring on February 19, 2024, (iii) 1,711,307 Stock Options at an exercise price of US$2.10 per series A share, expiring on April 29, 2030, and (iv) 3,455,284 Stock Options at an exercise price of US$2.85 per series A share, expiring on February 25, 2031.

The following paragraphs describe the principal terms and conditions of the Plan.

Type of Awards. The Plan permits different awards in the form of Stock Options, Restricted Stock or Performance Restricted Stock.

Plan Administration. The Plan is administered by our Board of Directors. The Board may delegate certain authority under the Plan to some individual or individuals among the officers of the Company. The administrator of the Plan has the power and authority to determine the persons who are eligible to receive awards, the number of awards, as well as other terms and conditions of awards.

Award Agreement. Any award granted under the Plan is evidenced by an award agreement or a certificate issued by the Company that sets forth terms, conditions and limitations for such award, which may include the number of Restricted Stock or Stock Options awarded, the exercise price, the provisions applicable in the event of the participant's employment or service terminates, among other provisions. The Board may amend the terms of the Plan and/or any particular award; provided that no such amendment shall impair the rights of any participant under the Plan.

Eligibility. We may grant awards to directors, officers, employees and consultants of our Company or any of our Subsidiaries.

Vesting Schedule. Except as otherwise set forth by the Plan regarding certain cases of termination (with or without cause) of employment or service, resignation, retirement, disability and/or death, Restricted Stock and Stock Options shall vest and become non-forfeitable in accordance with the following calendar: (i) 33% on the first anniversary, (ii) 33% on the second anniversary and (iii) 34% on the third anniversary of the date of grant. If a change of control event occurs, such participant's Restricted Stock and options will be immediately vested and exercisable.

Exercise of Stock Options. Vested options will become exercisable during five years since the date of grant. The exercise price per share under a Stock Option shall be the Fair Market Value per share on the date of grant. The number of Stock Options to be awarded to an Eligible Person shall be determined by the Manager at the time of grant following the Black-Scholes method.

Transfer Restrictions. Except under the laws of descent and distribution or otherwise permitted by the plan administrator, the participant will not be permitted to sell, transfer, pledge or assign any option.

Termination and amendment of the Plan. Our board of directors may amend, alter or discontinue the Plan, but no amendment, alteration or discontinuation shall be made if such amendment, alteration or discontinuation would impair the rights of a participant under any award.

Implementation of Plan; Trust. The Company will enter into a trust agreement with a Mexican financial institution in order to (i) implement and manage the terms of the Plan, and (ii) transfer the Shares underlying the awards, as and when required, in accordance with the terms of the Plan and subject to fulfillment of any requirements set forth in applicable law.

Business Address of the Members of our Board of Directors and Management Team

The business address of the members of our Company's board of directors and the members of our Management Team is: Calle Volcán No. 150, Floor 5, Colonia Lomas de Chapultepec, Alcaldía Miguel Hidalgo, Mexico City, Zip Code 11000, Mexico.

Share Ownership

As of the date of this annual report, Susan Segal, Mark Bly, Mauricio Doehner Cobian, Pablo Manuel Vera Pinto, Juan Garoby and Alejandro Cherñacov held series A shares of the Company, in each case representing less than 1% of our outstanding shares. As of the date of this annual report, our Chairman owned (i) 2,790,238 series A shares, (ii) 4,452,000 warrants convertible upon exercise into 1,484,000 series A shares, (iii) 2,044,680 vested Stock Options, (iv) 3,057,952 unvested Stock Options and (v) 1,436,149 Restricted Stock. The exercise prices and expiration dates of the Stock Options granted to the Chairman are as follows (i) 810,810 Stock Options at an exercise price of US$10.00 per share, expiring on April 4, 2023, (ii) 1,442,308 Stock Options at an exercise price of US$6.70 per share, expiring on February 19, 2024, (iii) 816,993 Stock Options at an exercise price of US$2.10 per series A share, expiring on April 29, 2030, and (iv) 2,032,520 Stock Options at an exercise price of US$2.85 per series A share, expiring on February 25, 2031.

Except as set forth above, none of our directors or executive officers held Restricted Stock, warrants or Stock Options, in each case and with respect to each such instrument, representing 1% or more of our outstanding shares as of the date of this annual report.

Employees

As of December 31, 2020, we had 382 employees, of which 367 were in Argentina and 15 in Mexico.

The following table shows the employee headcount for Vista for the periods presented:

	As of		
	December 31, 2020	December 31, 2019	December 31, 2018
Vista	382	304	209

As of December 31, 2020, December 31, 2019 and December 31, 2018, 34%, 23% and 20%, respectively, of our employees in Argentina were represented by one union and benefitted from a collective bargaining agreement between such union and our subsidiaries.

Since 2017, we have not experienced any material labor-related problems or major labor disturbances, and our relations with the unions are stable. However, we cannot guarantee that we will not experience any conflicts with our employees in the future, including with our unionized employees in the context of future negotiations of our collective bargaining agreements, which could result in events such as strikes or other disruptions that could have a negative impact on our operations. For further information on risk of labor disputes, see “Item 3—Key Information—Risk Factors—Risks Related to our Company—We employ a highly unionized workforce and could be subject to labor actions such as strikes, which could have a material adverse effect on our business.”

As of December 31, 2020, there were also approximately 2,239 outsourced staff under contract available to provide services in our operations, mostly with large international service providers. Although we have policies regarding compliance with labor and social security obligations for our contractors, we can provide no assurance that the contractors’ employees will not initiate legal actions against us seeking indemnification based upon a number of Argentine judicial labor court precedents that established that the ultimate beneficiary of employee services is joint and severally liable with the contractor, which is the employee’s formal employer. See “Item 3—Key Information—Risk Factors—Risks Related to Our Company— We face risks relating to certain legal proceedings.”

ITEM 7. MAJOR SHAREHOLDER AND RELATED PARTY TRANSACTIONS

ITEM 7A. MAJOR SHAREHOLDERS

Our outstanding capital stock consists of two series of shares: series A shares and series C shares, in each case registered with the RNV and listed on the Mexican Stock Exchange. As of the date of this annual report, our capital stock was represented by 87,878,453 series A shares, and two series C shares. Each series of shares grants the same rights and obligations to its holders, including corporate and economic rights.

The following table sets forth certain information known to us of our shareholders who are beneficial owners of more than 5% of our series A shares and series C shares as of the date of this annual report (except as set forth below), which is the most recent practicable date as to which we have information available. In computing the number of series A shares beneficially owned by a person or entity and the percentage ownership of that person or entity, we deemed to be outstanding all series A shares subject to stock options, warrants or restricted stock held by that person or entity that are currently exercisable or that will become exercisable or vested, as applicable, within 60 days of the date of this annual report. Series A shares issuable pursuant to stock options, warrants or restricted stock are deemed outstanding for computing the percentage ownership of the person or entity holding such options or warrants but are not outstanding for computing the percentage of any other person or entity.

Shareholders	Amount	% of class
Series A shares		
Kensington Investments B.V.[(1)]	15,833,000	17.4%
Miguel Galuccio ([2])	2,790,238	6.9%
Series C shares		
Vista SH, LLC[(3)]	1	50.00%
Vista Sponsor Holdings, L.P. [(3)]	1	50.00%

(1) Based on a Schedule 13G filed with the SEC on November 19, 2019. Kensington Investments B.V. is a wholly-owned subsidiary of the Abu Dhabi Investment Council Company P.J.S.C., a public joint stock company indirectly owned by the government of Emirate of Abu Dhabi in the United Arab Emirates. Kensington Investments B.V. held 12,500,000 series A shares (represented by ADSs) and 10 million warrants of the Company currently convertible upon exercise into 3,333,333 series A shares.

(2) As of the date of this annual report, Miguel Galuccio holds (i) 2,790,238 series A shares, (ii) 4,452,000 warrants convertible upon exercise into 1,484,000 series A shares, (iii) 2,044,680 vested Stock Options, (iv) 3,057,952 unvested Stock Options (which do not vest within 60 days of the date of this annual report) and (v) 1,436,149 Restricted Stock (which do not vest within 60 days of the date of this annual report).

(3) Vista Sponsors Holdings, L.P. and Vista SH, LLC are each the holder of one Series C share. Riverstone Vista Holdings Limited is the sole member of Riverstone Vista Holdings GP, L.L.C., which is the general partner of Vista Sponsors Holdings, L.P., which is the managing member of Vista SH, LLC. Riverstone Vista Holdings Limited is managed by a three-person board, and no one director may act alone to direct the voting or disposition of the Series C shares held by each of Vista Sponsors Holdings, L.P. and Vista SH, LLC.

As of December 31, 2020, there were 53,350,679 ADSs outstanding (representing rights to 53,350,679 series A shares or 61% of outstanding series A shares). As of December 31, 2020, there were 3 registered holders of ADSs in the United States. It is not practicable for us to determine the number of our ADSs or series A shares beneficially owned in the United States. Likewise, we cannot readily ascertain the domicile of the final beneficial owners represented by ADS record holders in the United States or the domicile of the beneficial owners of our series A shares, either directly or indirectly.

On December 10, 2019, Vista Sponsor Holdings, L.P. distributed all of the series A shares and warrants of the Company then held by it in-kind to its members. At that time, affiliated entities and employees of Riverstone Equity Partners L.P. held 12,477,566 series A shares and 20,859,400 warrants of the Company currently convertible upon exercise into 6,953,133 series A shares.

ITEM 7B. RELATED PARTY TRANSACTIONS

We enter into transactions with our shareholders and with companies that are owned or controlled, directly or indirectly, by us in the normal course of our business. Any transactions with such related parties have been made consistent with normal business operations using terms and conditions available in the market and are in accordance with applicable law.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period/year.

Key Management Personnel Remuneration

	Successor			Predecessor
	Consolidated for the year ended December 31, 2020	Consolidated for the year ended December 31, 2019	Consolidated for the period from April 4, 2018 through December 31, 2018	Period from January 1, 2018 through April 3, 2018
Short-term employee benefits	7,273	9,080	5,368	235
Termination benefits	—	—	—	—
Share-based payment transactions	8,699	9,175	3,533	—
Total	15,972	18,255	8,902	235

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period/year related to key management personnel.

FPA Shares and the FPA Warrants

On February 12, 2019, we completed the sale to Kensington of 5.0 million series A shares and 5.0 million warrants for an amount of US$50.0 million pursuant to the FPA and, additionally, 500,000 series A shares for an amount of US$5.0 million pursuant to certain subscription commitments among Vista and Kensington. The FPA Warrants are subject to the same terms as the Sponsor Warrants. See "Item 5—Operating and Financial Review and Prospects—Liquidity and Capital Resources."

Aleph Midstream

Aleph Midstream is a company that started operating in August 2019 and became the first midstream player focused on providing gathering, processing and evacuation services for oil and gas production in the Neuquina basin, spearheading a new paradigm for the development of the Vaca Muerta shale play built on the concept of long-term partnerships with upstream-focused producers.

On March 31, 2020, Vista completed the acquisition from affiliates of Riverstone, Southern Cross Group and certain individual co-sponsors (the "Financial Sponsors") of all of the issued and outstanding equity interests of each of the Financial Sponsors in Aleph Midstream, at an aggregate purchase price of US$37.5 million (equivalent to the entire equity effectively contributed to Aleph Midstream by the Financial Sponsors).

As part of said acquisition, Vista purchased all of the issued and outstanding equity interests of our officers Miguel Galuccio, Pablo Vera Pinto, Juan Garoby, Alejandro Cherñacov and Gastón Remy, which represented approximately 1.4% of the entire equity effectively contributed to Aleph Midstream by the Financial Sponsors, at the same economic terms (an amount equivalent to the entire amount effectively contributed by such officers to Aleph Midstream).

ITEM 7C. INTERESTS OF EXPERTS AND COUNSEL

Not applicable.

ITEM 8. FINANCIAL INFORMATION

CONSOLIDATED FINANCIAL STATEMENTS

See Item 18 for our Audited Financial Statements. For a description of events that have occurred since the date of the Company's Financial Statements, see "Item 4—Information on the Company—History and Development of the Company—Recent Developments."

LEGAL PROCEEDINGS

From time to time, we may be subject to various lawsuits, claims and proceedings that arise in the normal course of business, including employment, commercial, environmental, safety and health matters. For example, from time to time, we receive notice of environmental, health and safety violations. It is not presently possible to determine whether any such matters will have a material adverse effect on our consolidated financial position, results of operations or liquidity.

For more information on the legal proceedings see Notes 22.3 and 29 to the Audited Financial Statements.

DIVIDENDS

Under Mexican law, subject to the satisfaction of certain quorum requirements, only shareholders at a general meeting have the authority to declare a dividend. Although not required by law, such declarations typically follow the recommendation of the board of directors. Additionally, under Mexican law, we may only pay dividends from retained earnings included in financial statements that have been approved at a general shareholders' meeting, after all losses from prior fiscal years have been satisfied and after at least 5% of net income (after profit sharing and other deductions required by Mexican law) has been allocated to legal reserves, up to an amount equal to 20% of our paid-in capital stock from time to time. We have paid no dividend since our incorporation.

Our Board of Directors is not currently considering the adoption of a dividend policy. Changes in our operating and financial results, including those derived from extraordinary events, and risks described in "Risk Factors" that affect our financial condition and liquidity, could limit any distribution of dividends and their amount. We cannot provide any assurances that we will pay dividends in the future or as to the amount of dividends, if any are paid.

The amount and payment of future dividends, if any, will be subject to applicable law and will depend upon a variety of factors that may be considered by our Board of Directors or our shareholders, including our future operating results, financial condition, capital requirements, investments in potential acquisitions or other growth opportunities, legal restrictions, contractual restrictions in our current and future debt instruments and our ability to obtain funds from our subsidiaries. Such factors may limit or prevent the payment of any future dividends and may be considered by our Board of Directors in recommending, or by our shareholders in approving, the payment of any future dividends.

We are a holding company and our income, and therefore our ability to pay dividends, is dependent upon the dividends and other distributions that we receive from our subsidiaries. The payment of dividends or other distributions by our subsidiaries will depend upon their operating results, financial condition, capital expenditures plans and other factors that their respective boards of directors deem relevant. Dividends may only be paid out of distributable reserves and our subsidiaries are required to allocate earnings to their respective legal reserve funds prior to paying dividends to us. In addition, covenants in loan agreements, if any, of our subsidiaries, may limit their ability to declare or pay cash dividends.

In the event we were to declare dividends they would be paid in Mexican Pesos through Indeval to each custodian, which would deduct any applicable withholding taxes. In the case of series A shares represented by ADSs, the depositary will convert the cash dividends it receives in Mexican Pesos into U.S. Dollars at the prevailing rate of exchange, and thereafter it would distribute the amount so converted to the holders of ADSs, net of conversion expenses of the depositary. Fluctuations in the Peso—U.S. Dollar exchange rate will affect the amount of dividends that ADS holders would receive.

SIGNIFICANT CHANGES

There are no significant changes to the financial information included in the most recent audited consolidated financial statements contained in this annual report.

ITEM 9. THE OFFER AND LISTING

TRADING HISTORY

Our capital stock is comprised of common shares, no par value. Each share entitles the holder thereof to one vote at shareholders' meetings. All outstanding shares are fully paid in and our common shares have been listed on the BMV since 2017. Since July 26, 2019, our ADSs have been listed on the NYSE. The ADSs have been issued by the Bank of New York as depositary. Each ADS represents 1 common share.

MARKET INFORMATION

Market of Our Shares

Our ADSs are currently listed on the NYSE under the symbol "VIST." Each ADS issued by the Depositary represents rights to one series A share. Our series A shares are listed on the Mexican Stock Exchange under the symbol "VISTA." As of the date of this annual report, the variable portion of our outstanding capital stock was comprised by 87,133,504 series A shares, registered with the RNV and listed on the Mexican Stock Exchange. The variable portion of our capital stock is of unlimited amount pursuant to our bylaws and the applicable laws, whereas the fixed portion of our capital stock is divided into two series C shares, registered with the RNV and listed on the Mexican Stock Exchange.

As of the date of this annual report, we had 70,000,000 Warrants and 29,680,000 Sponsor Warrants outstanding (totaling 99,680,000 warrants outstanding) that are exercisable for 23,333,333 and 9,893,333 series A shares, respectively. Three warrants entitle the holder thereof to purchase one series A share at a price of US$11.50 per series A share. The exercise of such warrants and the corresponding issuance of series A shares may also have a dilutive effect in our earnings per share. The warrants expire on April 4, 2023 or earlier if, after exercisability, the closing price for series A shares for any 20 trading days within an applicable 30-trading day period equals or exceeds the Mexican Peso equivalent of US$18.00 and we decide to early terminate the exercise period thereof. In the event that we declare an early termination, we will have the right to declare that the exercise of the warrants be made on a "cashless basis." If we elect the cashless exercise, holders of warrants electing to exercise such warrants shall do so by surrendering warrants and receiving a number of series A shares resulting from the formula set forth in the warrant indenture, which captures the average of the U.S. Dollar equivalent of the closing price of the series A shares during a 10-day period. The warrants are subject to certain additional adjustments, terms and conditions. See "Item 10—Additional Information—Memorandum and Articles of Association—Warrants."

Trading on the Mexican Stock Exchange

The Mexican Stock Exchange, located in Mexico City, is one of two stock exchanges currently operating in Mexico. Operating continuously since 1907, the Mexican Stock Exchange is organized as a variable capital public stock corporation (*sociedad anónima bursátil de capital variable*). Securities trading on the Mexican Stock Exchange occurs each business day from 8:30 a.m. to 3:00 p.m. Mexico City time, subject to adjustments to operate uniformly with certain markets in the United States.

Since January 1999, all trading on the Mexican Stock Exchange has been effected electronically. The Mexican Stock Exchange may impose a number of measures to promote an orderly and transparent trading price of securities, including the operation of a system of automatic suspension of trading in shares of a particular issuer, when price fluctuations exceed certain limits.

Settlement of transactions with equity securities on the Mexican Stock Exchange are effected three business days after a share transaction is agreed to. Deferred settlement is not permitted without the approval of the Mexican Stock Exchange, even where mutually agreed. Securities traded on the Mexican Stock Exchange are on deposit in book-entry form through the facilities of Indeval, a privately owned securities depositary that acts as a clearinghouse, depositary, and custodian, as well as a settlement, transfer, and registration agent for Mexican Stock Exchange transactions, eliminating the need for physical transfer of securities. Transactions must be settled in Mexican Pesos except under limited circumstances and in respect of limited transactions in which settlement in foreign currencies may be permitted.

Market Regulation

In 1924, the Mexican National Banking Commission (*Comisión Nacional Bancaria*) was established to regulate banking activity and in 1946, the Mexican Securities Commission (*Comisión Nacional de Valores*) was established to regulate securities market activity. In 1995, these two entities merged to form the CNBV.

Among other things, the CNBV regulates the public offering and trading of securities, public companies and participants in the Mexican securities market (including brokerage houses and the Mexican Stock Exchange), and imposes sanctions for the illegal use of insider information and other violations of the Mexican Securities Market Law. The CNBV regulates the Mexican securities market, the Mexican Stock Exchange, and brokerage firms, through its staff and a board of governors composed of thirteen members.

Mexican Securities Market Law

The current Mexican Securities Market Law was published in the Federal Official Gazette of Mexico on December 30, 2005, and became effective on June 28, 2006, and is referred to as the Mexican Securities Market Law. The Mexican Securities Market Law changed the then Mexican securities laws in various material respects to further align Mexican laws with the securities and corporate governance standards laws in effect in other jurisdictions that maintained more developed securities markets.

In particular, the Mexican Securities Market Law:

- includes private placement exemptions directed to Mexican institutional and qualified investors, and specifies the requirements that need to be satisfied for an issuer or underwriter to fall within the exemption;
- includes improved rules for tender offers, dividing them in either voluntary or mandatory;
- establishes standards for disclosure of holdings applicable to shareholders of public companies;
- expands and strengthens the role of the board of directors of public companies;
- defines the role of the chief executive officer and other relevant officers of public corporations;
- defines the standards applicable to the board of directors and the duties and potential liabilities and penalties applicable to each director, the chief executive officer and other executive officers and the audit and corporate governance committee (introducing concepts such as the duty of care, duty of loyalty and safe harbors for actions attributable to directors and officers);
- replaces the statutory auditor (*comisario*) with the audit and corporate governance committee and establishes the audit and corporate governance committee with clearly defined responsibilities;
- improves the rights of minority shareholders (including the right to initiate shareholders' derivative suits);
- defines applicable sanctions for violation of law;
- provides flexibility to allow regulated Mexican brokerage firms to engage in certain limited activities;
- regulates stock exchanges, clearinghouses, futures and derivatives markets, and rating agencies;
- establishes penalties (including incarceration), arising from violations of the Mexican Securities Market Law and regulations thereunder;

- establishes that public companies are considered a single economic unit with the entities they control for reporting accounting and other purposes;
- introduces concepts such as consortiums, groups of related persons or entities, control and decision-making power;
- defines rules relating to the types of securities that may be offered by public companies;
- sets forth information for share repurchases; and
- specifies requirements for implementing anti-takeover measures.

In March 2003, the CNBV issued certain general regulations applicable to issuers and other securities market participants, which regulations have since been amended, or the General Regulations, and in September 2004, the CNBV issued certain general regulations applicable to brokerage firms. The General Regulations, which repealed several previously enacted CNBV regulations, provide a consolidated set of rules governing public offerings, reporting requirements and issuer activity, among other things.

On January 10, 2014, a decree amending 34 financial laws, including the Mexican Securities Market Law, was published in the Mexican Federal Official Gazette (collectively, the "*Financial Reform*" (*reforma financiera*)). The amendments to the Mexican Securities Market Law became effective on January 13, 2014, with the exception of certain provisions regarding the use of insider information and other related policies that are required to be implemented by some entities. Furthermore, certain entities that are required to comply with these amendments, such as broker dealers and investment advisors, were granted grace periods of six months to one year to comply with the new requirements of the Financial Reform.

Issuance, Registration and Listing Standards

In order to offer securities to the public in Mexico, an issuer must meet specific qualitative and quantitative requirements. Only securities that have been registered with the RNV, pursuant to approval by the CNBV may be listed on the Mexican Stock Exchange.

The General Regulations require the Mexican Stock Exchange to adopt minimum requirements for issuers that seek to list their securities in Mexico. These requirements relate to operating history, financial and capital structure, and minimum public floats, among other things. The General Regulations also require the Mexican Stock Exchange to implement minimum requirements (including minimum public floats) for issuers to maintain their listing in Mexico. These requirements relate to the issuer's financial condition, capital structure and public float, among others. The CNBV may waive some of these requirements in certain circumstances. In addition, some of the requirements are applicable for each series of shares of the relevant issuer.

The CNBV's approval for registration with the RNV does not imply any kind of certification or assurance related to the investment quality of the securities, the solvency of the issuer, or the accuracy or completeness of any information delivered to the CNBV or included in any offering document.

The Mexican Stock Exchange may review compliance with the foregoing requirements and other requirements at any time, but will normally do so on an annual, semi-annual and quarterly basis. The Mexican Stock Exchange must inform the CNBV of the results of its review, and this information must, in turn, be disclosed to investors. If an issuer fails to comply with any of these minimum requirements, the Mexican Stock Exchange will request that the issuer propose a plan to cure the violation. If the issuer fails to propose a plan, if the plan is not satisfactory to the Mexican Stock Exchange, or if an issuer does not make substantial progress with respect to the implementation of the corrective plan, trading of the relevant series of shares on the Mexican Stock Exchange may be temporarily suspended. In addition, if an issuer fails to implement the plan in full, the CNBV may cancel the registration of the shares, in which case the majority shareholder or any controlling group will be required to carry out a tender offer to acquire all of the outstanding shares of the issuer in accordance with the tender offer provisions set forth in the Mexican Securities Market Law (under which all holders must be treated in the same manner).

Reporting Obligations

Issuers of listed shares such as the Company, are required to file unaudited quarterly financial statements and audited annual financial statements (together with an explanation thereof) and periodic reports, in particular reports dealing with material events, with the CNBV and the Mexican Stock Exchange. Mexican issuers must file the following reports:

- a comprehensive annual report prepared in accordance with the General Regulations, by no later than April 30 of each year, which must include (i) audited annual financial statements and (ii) reports on the activities carried out by the audit and corporate governance committee;
- quarterly reports, within 20 business days following the end of each of the first three quarters and 40 business days following the end of the fourth quarter;
- reports disclosing material information;
- reports and disclosure memoranda revealing corporate restructurings such as mergers, spin-offs or acquisitions or sales of assets, approved by shareholders' meeting or the board of directors;
- reports regarding the policies and guidelines with respect to the use of the company's (or its subsidiaries) assets by related persons; and
- details dealing with agreements among shareholders.

Pursuant to the General Regulations, the internal rules of the Mexican Stock Exchange were amended to implement an automated electronic information transfer system (*Sistema Electrónico de Envío y Difusión de Información,* or SEDI) called the *Sistema Electrónico de Comunicación con Emisoras de Valores*, or EMISNET, for information required to be filed with the Mexican Stock Exchange. Issuers of listed securities must prepare and disclose their financial and other information via EMISNET. Immediately upon receipt, the Mexican Stock Exchange makes this financial and other information available to the public.

The General Regulations and the rules of the Mexican Stock Exchange require issuers of listed securities to file through SEDI information that relates to any event or circumstance that could influence an issuer's share prices and investor decisions to acquire stock. If listed securities experience unusual price volatility, the Mexican Stock Exchange must immediately request that an issuer inform the public as to the causes of the volatility or, if the issuer is unaware of the causes, that it make a statement to the effect that it is unaware of the causes of such volatility. In addition, the Mexican Stock Exchange must immediately request that issuers disclose any information relating to material events when it deems the available public information to be insufficient, as well as instruct issuers to clarify information when necessary. The Mexican Stock Exchange may request that issuers confirm or deny any material event that has been disclosed to the public by third parties when it deems that the material event may affect or influence the price of the listed securities. The Mexican Stock Exchange must immediately inform the CNBV of any such request. In addition, the CNBV may also make any of these requests directly to issuers. An issuer may delay the disclosure of material events if:

- the information is related to transactions that have not been consummated;
- there is no public information in the mass media relating to the material event; and
- no unusual price or volume fluctuation occurs.

If an issuer elects to delay the disclosure of material, it must implement adequate confidentiality measures (including maintaining a log with the names of parties in possession of confidential information and the date when each such party became aware of the relevant information).

Similarly, if an issuer's securities are traded on both the Mexican Stock Exchange and a foreign securities exchange, the issuer must simultaneously file the information that it is required to file pursuant to the laws and regulations of the foreign jurisdiction with the CNBV and the Mexican Stock Exchange.

Suspension of Trading

In addition to the authority of the Mexican Stock Exchange under its internal regulations described above, the CNBV and the Mexican Stock Exchange may suspend trading in an issuer's securities:

- if the issuer does not disclose a material event;
- failure by the issuer to timely or adequately comply with its reporting obligations;
- significant exceptions or comments contained in the auditors' opinions of the issuer's financial statements, or determinations that such financial statements were not prepared in accordance with the applicable accounting procedures and policies; or
- upon price or volume volatility or changes in the trading of the relevant securities that are not consistent with the historic performance of the securities and cannot be explained solely through information made publicly available pursuant to the General Regulations.

The Mexican Stock Exchange must immediately inform the CNBV and the general public of any suspension. An issuer may request that the CNBV or the Mexican Stock Exchange permit trading to resume if it demonstrates that the causes triggering the suspension have been resolved and that it is in full compliance with periodic reporting requirements. If an issuer's request has been granted, the Mexican Stock Exchange will determine the appropriate mechanism to resume trading (which may include a bidding process to determine applicable prices). If trading in an issuer's securities is suspended for more than 20 business days and the issuer is authorized to resume trading without conducting a public offering, the issuer must disclose via SEDI, before trading may resume, a description of the causes that resulted in the suspension.

Under consent regulations, the Mexican Stock Exchange may consider the measures adopted by other non- Mexican exchanges to suspend and/or resume trading of an issuer's shares, in cases where the relevant securities are simultaneously traded on stock exchanges located outside of Mexico.

Insider Trading, Trading Restrictions and Tender Offers

The Mexican Securities Market Law contains specific regulations regarding insider trading, including the requirement that persons in possession of information deemed privileged abstain (i) from directly or indirectly, trading in the relevant issuer's securities, or derivatives with respect to such securities, the trading price of which may be affected by such information, (ii) from making recommendations or providing advice to third parties to trade in such securities, and (iii) disclosing or communicating such privileged information to third parties (except for persons to whom such information must be disclosed as a result of their positions or employment).

Pursuant to the Mexican Securities Market Law, the following persons must notify the CNBV of any transactions undertaken by them with respect to a listed issuer's securities, whether on a case-by-case basis or quarterly:

- members of a listed issuer's board of directors;
- shareholders directly or indirectly controlling 10% or more of a listed issuer's outstanding capital stock; and
- officers.

These persons must also inform the CNBV of the effect of the transactions within five days following their completion. In addition, insiders must abstain from purchasing or selling securities of the issuer within three months from the last sale or purchase, respectively.

Also, directors and relevant officers that are holders of 1% or more of the outstanding shares of a Mexican public company, must disclose their holdings and the relevant issuer.

Subject to certain exceptions, any acquisition of a public company's shares that results in the acquirer owning 10% or more, but less than 30%, of an issuer's outstanding capital stock, must be publicly disclosed to the CNBV and the Mexican Stock Exchange by no later than one business day following the acquisition.

Any acquisition or disposition by certain insiders that results in such insider increasing or decreasing in 5% or more such insider's holdings in shares of the public company to which it is related must also be publicly disclosed to the CNBV and the Mexican Stock Exchange no later than one business day following the acquisition or disposition. The Mexican Securities Market Law requires that convertible securities, warrants and derivatives to be settled in kind be considered in the calculation of share ownership percentages of public companies.

Tender Offers

The Mexican Securities Market Law contains provisions relating to public tender offers and certain other share acquisitions occurring in Mexico. Under the Mexican Securities Market Law, tender offers may be voluntary or mandatory. Both are subject to prior approval of the CNBV and must comply with general legal and regulatory requirements. Voluntary tender offers, or offers where there is no requirement that they be initiated or completed, are required to be made pro rata. Any intended acquisition of a public company's shares that results in the acquirer owning 30% or more requires the acquirer to make a mandatory tender offer for the greater of (i) the percentage of the capital stock intended to be acquired, or (ii) 10% of the company's outstanding capital stock, provided that if such acquisition is aimed at obtaining control, then the potential acquirer is required to launch a mandatory tender offer for 100% of the company's outstanding capital stock (however, under certain circumstances, the CNBV may permit an offer for less than 100%). The tender offer must be made at the same price to all shareholders and classes of shares. The board of directors, with the advice of the audit and corporate governance committee, must issue its opinion in respect of the fairness of the price applicable to any mandatory tender offer, which may be accompanied by an independent fairness opinion. Directors and the chief executive officer of a public company, in respect of which a tender offer has been made, must disclose whether or not each of them will tender his respective shares in the tender offer.

Under the Mexican Securities Market Law, all tender offers must be open for at least 20 business days and purchases thereunder are required to be made pro rata to all tendering shareholders. The Mexican Securities Market Law also permits the payment of certain amounts to a controlling shareholder over and above the offering price if these amounts are fully disclosed, approved by the board of directors, and paid solely in connection with non-compete or similar obligations. The law also provides exceptions to the mandatory tender offer requirements and specifically sets forth remedies for non-compliance with these tender offer rules (*e.g.,* suspension of voting rights, possible annulment of purchases, etc.) and other rights available to prior shareholders of the issuer.

Joint Trading of Common Shares and Limited or Non-Voting Shares

The Mexican Securities Market Law does not permit issuers to implement mechanisms for common shares and limited or non-voting shares to be jointly traded or offered to public investors, unless the limited or non-voting shares are convertible into common shares within a period of up to five years, or when, because of the nationality of the holder, the shares or the securities representing the shares limit the right to vote to comply with foreign investment laws. In addition, the aggregate amount of shares with limited or non-voting rights may not exceed 25% of the aggregate amount of publicly held shares. The CNBV may increase this 25% limit by an additional 25%, provided that the limited or non-voting shares exceeding 25% of the aggregate amount of publicly held shares are convertible into common shares within five years of their issuance.

Anti-Takeover Protections

The Mexican Securities Market Law provides that public companies may include anti-takeover provisions in their by-laws if such provisions (i) are approved by a majority of the shareholders, without shareholders representing 5% or more of the capital stock present at the meeting voting against such provision, (ii) do not exclude any shareholders or group of shareholders, (iii) do not restrict, in an absolute manner, a change of control, and (iv) do not contravene legal provisions related to tender offers or have the effect of disregarding the economic rights related to the shares held by the acquiring party.

ITEM 10. ADDITIONAL INFORMATION

MEMORANDUM AND ARTICLES OF ASSOCIATION

General

We were incorporated on March 22, 2017, with public deed number 79,311 and registered with the Mexican Public Registry of Commerce in Mexico City, under commercial folio number N-2017024493, as a capital stock corporation. A copy of our bylaws can be obtained from the CNBV or the Mexican Stock Exchange and is available for review at www.bmv.com.mx.

Pursuant to the shareholders resolutions that approved our initial public offering as documented by public deed number 80,566 on July 28, 2017 and registered with the Mexican Public Registry of Commerce in Mexico City, under commercial folio number N-2017024493, we became a publicly traded company of variable capital stock (*sociedad anónima bursátil de capital variable*) and approved amendments to our bylaws in order to comply with applicable provisions in the Mexican Securities Market Law.

You may obtain a copy of our current bylaws from us or from the Mexican Stock Exchange through the following website: www.bmv.com.mx and www.vistaoilandgas.com. An English translation of our current bylaws is available from us upon request.

Corporate Purpose

Pursuant to article three of our bylaws, the corporate purpose of Vista is to engage, among others, in the following activities:

(i) acquire, by any legal means, any type of assets, stock, partnership interests, equity interests or interests in any kind of commercial or civil companies, associations, partnerships, trusts or any kind of entities within the energy sector, whether such entities are Mexican or foreign, at the time of their inception or at a later time as well as sell, assign, transfer, negotiate, encumber or otherwise dispose of or pledge such assets, stocks, equity interests or interests;

(ii) participate as a partner, shareholder or investor in all businesses or entities, whether mercantile or civil, associations, trusts or any other nature, whether Mexican or foreign, from their inception or by acquiring shares, equity interests or other kind of interests, regardless of the name they are given, in all kind of incorporated companies, as well as to exercise the corporate and economic rights derived from such participation and to buy, vote, sell, transfer, subscribe, hold, use, encumber, dispose, modify or auction under any title, such shares, equity interests or other kind of interests, as well as participations of all kind in entities subject to applicable law, as it is necessary or convenient;

(iii) issue and place shares representative of its social capital, either through public or private offerings, in national or foreign stock exchange markets;

(iv) issue or place warrants, either through public or private offerings, by shares representing their capital stock or any other type of securities, in domestic or foreign stock exchange markets; and

(v) issue or place negotiable instruments, debt instruments or any other value, either through public or private offerings, in domestic or foreign stock exchange markets.

Annual report

Our annual report is variable. The amount of the fixed portion of our capital stock that is not subject to rights of withdrawal is Ps.3,000.00, represented by two series C common, nominative shares no par value. The variable portion of our capital stock subject to rights of withdrawal is unlimited and represented by series A shares, which are ordinary, nominative, no par value and grant equal economic and corporate rights and obligations to their holders. As of the date of this annual report, the variable portion of our outstanding capital stock was comprised by 87,878,453 series A shares. Our series A shares may be subscribed to and paid for by Mexican or foreign individuals or corporations, as well as by any other foreign entities with or without legal entity. Our series B shares (which are ordinary, nominative, with no par value and grant the same economic and corporate rights and obligations to their holders) have been cancelled and at their time, were subscribed and paid by our "Strategic Partners" (as such term is defined in our bylaws and otherwise referred to herein as the Sponsor) and the independent directors of the Company, and were converted into series A shares as approved at an ordinary general shareholders' meeting.

On August 1, 2017, prior to the closing of our initial public offering in Mexico, Vista and its strategic partners, Vista Sponsor Holdings, L.P. (an entity controlled by senior personnel from Riverstone Investment Group LLC) together with Miguel Galuccio, Pablo Vera Pinto, Juan Garoby and Alejandro Cherñacov (collectively, the "Sponsor"), entered into a strategic partners agreement ("SPA") in connection with the private placement of the Sponsor Warrants. Pursuant to the SPA, the parties agreed, among other things, (i) to purchase the Sponsor Warrants, (ii) that the Sponsor Warrants may be exercised without cash payment as described in "Item 8—Additional Information—Memorandum and Articles of Association—Warrants"; (iii) in the event that the warrants terminate early and the Sponsor Warrants expire without being exercised, the parties agreed to issue another security or instrument that permits them to purchase series A shares in the same manner as the expired Sponsor Warrants, and (iv) to certain lockup provisions, which have expired as of the date of this annual report.

On March 22, 2018, a shareholders' meeting authorized the Plan. That same shareholders' meeting approved the reservation of 8,750,000 series A shares issued by the Company on December 18, 2017, for the implementation of the Plan. As of December 31, 2020, 1,035,714 series A shares have been vested and are outstanding in connection with the Plan, and as of the day of this annual report, 1,062,881 series A shares have been vested and are outstanding in connection with the Plan. See "Item 5—Operating and Financial Review and Prospects—Directors, Senior Management and Employees—Long Term Incentive Plan."

At an ordinary general shareholders' meeting, our shareholders may approve the issuance of other types of shares including those who have special rights or limited rights to holders and/or securities with respect to such shares.

Warrants

As of the date of this annual report, we had 70,000,000 Warrants and 29,680,000 Sponsor Warrants outstanding (totaling 99,680,000 warrants outstanding) that are exercisable for 23,333,333 and 9,893,333 series A shares, respectively. Three warrants entitle the holder thereof to purchase one series A share at a price of US$11.50 per series A share. The exercise of such warrants and the corresponding issuance of series A shares may also have a dilutive effect in our earnings per share. The Warrants expire on April 4, 2023 or earlier if, after exercisability, the closing price for a series A share for any 20 trading days within an applicable 30-trading day period equals or exceeds the Mexican Peso equivalent of US$18.00 and we decide to early terminate the exercise period thereof. In the event that we declare an early termination, we will have the right to declare that the exercise of the warrants be made on a "cashless basis." If we elect the cashless exercise, holders of warrants electing to exercise such warrants shall do so by surrendering warrants and receiving a number of series A shares resulting from the formula set forth in the warrant indenture, which captures the average of the U.S. Dollar equivalent of the closing price of the series A shares during a 10-day period. The warrants are subject to certain additional adjustments, terms and conditions.

Vista Sponsor Holdings, L.P. and our Management Team collectively hold 29,680,000 Sponsor Warrants. The Sponsor Warrants are identical to and fungible with the warrants, subject to certain differences relating to early termination and cashless exercise, as described herein. The Sponsor Warrants may be exercised for cash or on a cashless basis at the discretion of Vista Sponsor Holdings, L.P. and our Management Team or their permitted transferees. If the Sponsor Warrants are held by other persons, then they will be exercisable by on the same basis as the other warrants. Similarly, in the event that we declare the early termination of the Warrants, we will continue to be

obligated to deliver to Vista Sponsor Holdings, L.P. and our Management Team or their permitted transferees securities, documents or instruments, or enter into a contractual arrangement, that continues to grant them the right to purchase a third of a series A share with respect to each of their Sponsor Warrants on the same terms and conditions as those that would have been provided in connection with the warrants had they not been terminated early. Finally, in the event that we agree with the warrant holders to amend the warrant indenture or the global warrant certificate without the consent of Vista Sponsor Holdings, L.P. and our Management Team or their permitted transferees, we will continue to be obligated to deliver to such persons securities, documents or instruments, or enter into a contractual arrangement, that continues to grant them the same terms and conditions as those provided to their Sponsor Warrants as if such changes had not been agreed to.

On February 12, 2019, we completed the sale to Kensington of 5.0 million series A shares and 5.0 million warrants for an amount of US$50.0 million pursuant to the FPA and, additionally, 500,000 series A shares for an amount of US$5.0 million pursuant to certain subscription commitments among Vista and Kensington. The FPA Warrants are subject to the same terms as the Sponsor Warrants. These agreements received regulatory approvals from COFECE. See "Item 5—Operating and Financial Review and Prospects—Liquidity and Capital Resources."

Movements in Our Capital stock

Capital stock increases shall be made pursuant to resolutions adopted by our shareholders in general shareholders' meetings.

Increases of our capital stock in its fixed portion are approved by resolutions taken by our shareholders in extraordinary shareholders' meetings, with a corresponding amendment to our bylaws, while the modification of our capital stock in its variable portion is approved in ordinary shareholders' meetings, which shall be formalized before a notary public, without it being necessary that the relevant public deed is recorded before the public registry of commerce of our corporate domicile.

Additionally, we may affect capital increases due to the capitalization of shareholders' equity accounts, pursuant to Article 116 of Mexico's General Law of Commercial Companies, or any other provision replacing it from time to time and other applicable law, through payment in cash or in kind, capitalization of liabilities or by any other means allowed by applicable law. Regarding the increases by means of capitalization of shareholders' equity accounts, all shares shall have the right to the proportional part that correspond to them in the increase, without it being necessary to issue new shares representing the increase.

Capital increases, except for those arising from our acquisition of our own securities, shall be recorded in a capital variation registry book, which we are required to maintain pursuant to Article 219 of Mexico's General Law of Commercial Companies, or any other provision replacing it from time to time and other applicable law.

We may keep unsubscribed shares resulting from capital increase in treasury, or otherwise cancel such shares, in both cases a prior capital decrease shall be resolved by a shareholders' meeting to the extent necessary.

Our capital stock may only be reduced upon approval of our shareholders through resolutions adopted by them in either ordinary or extraordinary shareholders' meetings, in accordance with the provisions set forth in Article 12 of our bylaws except for (i) the separation of shareholders as described in Article 206 of Mexico's General Law of Commercial Companies or any other provision replacing it from time to time, and other applicable law; and (ii) the acquisition of our own shares in accordance with our bylaws, the Mexican Securities Market Law and other applicable law.

We may only reduce the fixed portion of our capital stock upon approval of our shareholders through resolutions adopted by them at an extraordinary shareholders' meeting, the amendment of our bylaws and the formalizing of the relevant meeting minutes before a notary public. We may also reduce the variable portion of our capital stock upon approval by our shareholders through resolutions adopted by them at an ordinary shareholders' meeting, the minutes of which shall be formalized before a notary public, without it being necessary to record the relevant public deed before the public registry of commerce of our corporate domicile; provided that when the shareholders exercise their separation right or when the decreases are a result of the reacquisition of our own shares, no resolution from the shareholders' meeting will be needed.

We may reduce our capital stock to absorb losses in the event that any shareholder exercises its right of separation pursuant to Article 206 of Mexico's General Law of Commercial Companies, or any other provision replacing it from time to time and other applicable law, as well as a result of the reacquisition by the Company of our own shares pursuant to our bylaws, or in any other case allowed under applicable law.

Capital reductions to compensate losses will be carried out proportionally among all the shares representing our capital stock, without it being necessary to cancel shares since they do not have par value.

Holders of securities that are part of the variable portion of our capital stock may not exercise their right of withdrawal described in Article 220 of Mexico's General Law of Commercial Companies, or any other provision replacing it from time to time, pursuant to Article 50 of the Mexican Securities Market Law, any other provision replacing it from time to time and other applicable law.

We shall register all capital reductions in our capital variations registry book, except for reductions resulting from repurchase of our own shares.

Voting Rights

Each series of our shares grants the same rights and obligations to holders thereof, including economic rights, since all holders of the shares participate equally, without any distinction, in any dividend, repayment, amortization or distribution of any nature on the terms further described herein.

Notwithstanding the above and with the prior authorization of the CNBV, we may issue shares with no voting rights, with limited corporate rights or with limited voting rights, as long as such shares do not exceed 25% of the aggregate amount of publicly held shares, as determined by the CNBV, on the date of the relevant public offering, in accordance with Article 54 of the Mexican Securities Market Law, any other provision replacing it from time to time and other applicable law. The CNBV may authorize an increase of this 25% limit, provided that the limited or non-voting shares exceeding 25% of the aggregate amount of the publicly held shares, as determined by the CNBV, are convertible into common shares within five years of their issuance.

Non-voting shares shall not count for determining the necessary quorum to call to order a general shareholders' meeting. Limited or restricted voting shares will count only in determining the necessary quorum to call to order shareholders' meetings in which their vote is needed or special meetings.

Resolutions adopted at any general shareholders' meeting in which the issuance of non-voting or restricted or limited voting shares is approved shall set forth the rights, limitations, restrictions and all other characteristics corresponding to such shares.

Shareholders' Meetings

A general shareholders' meeting acts as our supreme body and authority. General shareholders' meetings may be ordinary or extraordinary, as well as special, and shall always be held in our corporate domicile, except for cases of *force majeure* or acts of God.

Pursuant to Mexican law and our bylaws, general shareholders' meetings require 15 calendar days' advance notice to be legally convened upon first or subsequent calls. Extraordinary general shareholders' meetings are convened to approve any of the matters referred to in Article 182 of Mexico's General Law of Commercial Companies, Articles 48, 53 and 108 of the Mexican Securities Market Law, or any other provisions replacing them from time to time and other applicable law, as well as those provisions contained in Articles 9 and 19 of our bylaws. All other general shareholders' meetings shall be ordinary meetings, including those meetings which address increases and reductions to the variable portion of our capital stock.

Special shareholders' meetings shall convene to handle any matter that may affect the rights granted to the holders of a series of our shares and shall be subject to the applicable provisions in our bylaws that were established for extraordinary general shareholders' meetings, in respect to attendance and voting quorums, as well as formalization of minutes.

An ordinary general shareholders' meeting shall be held at least once each year within the first four months following the end of the previous fiscal year in order to approve the matters listed in the agenda for such meeting, the matters described in Article 181 of Mexico's General Law of Commercial Companies, or any other provision replacing it from time to time, as well as to do any of the following:

(i) discuss, approve or modify reports of the chairmen of both the audit committee and the corporate practices committee;

(ii) discuss, approve or modify reports of our Chief Executive Officer, pursuant to Article 28, Section IV, and Article 44, Section XI, of the Mexican Securities Market Law, or any other provision replacing them from time to time and other applicable law;

(iii) discuss, approve or modify reports of the board of directors, pursuant to sub-paragraph (b) of Article 172 of Mexico's General Law of Commercial Companies, or any other provision replacing it from time to time and other applicable law;

(iv) review the opinion of the board of directors regarding the content of the Chief Executive Officer's reports;

(v) decide on the use of profits, if any;

(vi) appoint members of our board of directors, the Secretary and Deputy Secretary and the members of committees, as well as their respective substitutes, as the case may be, and appoint or remove the chairmen of both the audit committee and the corporate practices committee;

(vii) determine the independence of directors;

(viii) determine the maximum amount of corporate funds that may be used for the repurchase of our own securities;

(ix) approve transactions that we intend to carry out in the course of the fiscal year, when such transactions, or a series of transactions considered together on an aggregate basis based on certain shared characteristics (as determined by the Mexican Securities Market Law), represent an amount that is 20% or more of our consolidated assets, determined on the basis of the value of our consolidated assets at the end of the immediately preceding quarter (in such meetings, the shareholders with limited or restricted voting rights may vote); and/or

(x) handle any other matter in accordance with applicable law and that is not specifically reserved by law to be taken up at an extraordinary general shareholders' meeting.

An extraordinary general shareholders' meeting shall handle any of the matters described in Article 182 of Mexico's General Law of Commercial Companies or any other provision replacing it from time to time. In addition, shareholders at such an extraordinary meeting may do any of the following:

(i) amend our bylaws to prevent an acquisition of our securities that would provide an acquirer or acquirers control of our Company;

(ii) increase our capital stock pursuant to the terms of Article 53 of the Mexican Securities Market Law, or any other provision replacing it from time to time;

(iii) cancel the registration any of our capital stock or the certificates representing such securities with the RNV;

(iv) generally amend our bylaws;

(v) approve the cancellation of shares representing our capital stock with distributable profits and the issuance of dividend certificates or limited-voting, preferential or any other kind of shares different from ordinary shares; and/or

(vi) handle any other matter in accordance with applicable law or our bylaws that expressly requires a special quorum or is specifically reserved by law to be taken up at an extraordinary general shareholders' meeting.

Any general shareholders' meeting may be called by our board of directors, the Chairman of the Board of Directors, our Secretary or either the Audit Committee or Corporate Practices Committee. The holders of shares with voting rights representing 10% or more of our capital stock may also request a general shareholders' meeting, individually or collectively, from the Chairman of the board of directors or to the relevant committee, notwithstanding the percentage set forth under Article 184 of Mexico's General Law of Commercial Companies.

A shareholder request for a general shareholders' meeting may be granted so long as such request meets the requirements set forth in Article 185 of Mexico's General Law of Commercial Companies, any other provision replacing it from time to time and other applicable law. If a call is not made within 15 calendar days following the request date, a civil or district court judge of the Company's domicile will make such a call at the request of any interested shareholder, who must prove the ownership of its shares for such purposes.

Calls for general shareholders' meetings shall be published in the electronic system established by the Mexican Ministry of Economy for such purposes and may be published in one of the newspapers of largest circulation in the corporate domicile of the Company within at least 15 calendar days prior to the date on which the relevant meeting is intended to take place, pursuant to applicable law.

From the date of notice of a general shareholders' meeting to the date on which the meeting is held, we will make available to the shareholders, in our offices, immediately and free of charge, all information that we may deem necessary to vote on matters at the meeting, including the forms described in Section III of Article 49 of the Mexican Securities Market Law, or any other provision replacing it from time to time and other applicable law.

General shareholders' meetings may be held without prior notice (as described above) in the event that all the shares representing the capital stock with voting rights or the relevant series of shares (in the event of a special meeting) are present or represented at the time of the voting at a meeting.

Notwithstanding the foregoing and in accordance with the second paragraph of Article 178 of Mexico's General Law of Commercial Companies, or any other provision replacing it from time to time and other applicable law, shareholders may adopt resolutions by unanimous written consent without a meeting, which will have the same validity and effectiveness as if such resolutions had been approved in a general shareholders' meeting.

Shareholders may be represented at general shareholders' meetings by an attorney-in-fact that has a power-of-attorney granted pursuant to the forms described in Section III of Article 49 of the Mexican Securities Market Law, or any other provision replacing it from time to time and other applicable law or pursuant to a power of attorney granted pursuant to applicable law.

To be admitted to a general shareholders' meeting, shareholders shall be duly registered in our stock registry book managed in accordance with Article 128 of Mexico's General Law of Commercial Companies, or any other provision replacing it from time to time and other applicable law, or they may present certificates issued by the Indeval or any other institution that acts as a depository of securities in accordance with the Mexican Securities Market Law.

To attend a special or general shareholders' meeting, the relevant shareholder must prove to the Secretary non-member of our board of directors that it does not require the prior approval by our board of directors pursuant to Article 9 of our bylaws.

Ordinary and extraordinary general shareholders' meetings shall be presided over by the Chairman of the board of directors or, in his or her absence, by such person as determined by the shareholders at the relevant meeting through a majority vote of shares present.

The Secretary non-member of the board of directors or the Deputy Secretary shall act as secretary of the general shareholders' meetings or, in his or her absence, by such person as determined by the shareholders at the relevant meeting through a majority vote of shares present.

The chairman of the general shareholders' meeting shall appoint one or more inspectors (*escrutadores*), from the shareholders, shareholders' representatives or invitees attending the relevant meeting, who shall determine the existence or absence of a quorum, and who shall count the votes cast upon request by the chairman of the meeting.

The secretary of the general shareholders' meeting shall prepare the minutes of such meeting, such minutes to be transcribed into our general shareholders' meetings' minutes registry and signed by both the chairman and the secretary of the relevant meeting as well as by the individuals who acted as inspectors. Any records regarding such meetings that were not able to transact matters because of a lack of quorum shall also be signed by the chairman, the secretary and the inspectors of the relevant meeting.

An ordinary general shareholders' meeting shall be duly convened if, after first call of those present, at least 50% of the outstanding shares representing our capital stock are represented at such meeting. Decisions of an ordinary general shareholders' meeting are approved by a simple majority of the shares with voting rights represented at such meeting. In the event of second or further calls, an ordinary general shareholders' meeting shall be deemed duly convened, regardless of the number of present or represented shares, and decisions shall be approved by the simple majority of the shares present with voting rights.

An extraordinary general shareholders' meeting shall be duly convened if, after the first call, at least 75% of the outstanding shares representing our capital stock are represented at such meeting. In the event of second or further calls, an extraordinary general shareholders' meeting shall be deemed duly convened if a majority of our common stock is represented.

The resolutions adopted by an extraordinary shareholders' meeting, irrespective of whether it was convened as the result of the first, second or subsequent call, will be valid if taken by a majority of the shares of our capital stock outstanding (and not held in treasury), present or represented in such meeting, except in the case of (i) cancellation of the registration with the RNV of the shares representing our capital stock or the warrants representing them, in which case the affirmative vote of 95% of the shares of our capital stock outstanding (and not held in treasury), present or represented in such meeting will be required, and (ii) an amendment to our bylaws, in which case the affirmative vote of 65% of the shares of our capital stock outstanding (and not held in treasury), present or represented in such meeting will be required.

Unanimous written consents adopted outside general shareholders' meeting shall be transcribed in our shareholders' meetings minutes registry book. Files containing copies of the minutes from each general shareholders' meeting and each unanimous written consent, along with attendance lists, proxies, call copies, if any, and documents submitted to discussion, such as board of directors' reports, our financial statements and other relevant documents, shall be formed and kept by us.

In the event that any minutes of a general shareholders' meeting or any unanimous written consent cannot be registered in our shareholders' meetings minutes registry book, we will formalize such minutes or unanimous written consent before a notary public in Mexico.

The minutes of general shareholders' meetings, as well as the records of such meetings that were not held due to lack of quorum, will be signed by Chairman and Secretary of such shareholders' meetings.

Profit distribution (dividends)

Generally, at an annual ordinary general shareholders' meeting, our Board of Directors presents the financial statements corresponding to the preceding fiscal year to the shareholders for their approval. Once the general shareholders' meeting approves those financial statements, all of the shares outstanding at the time of the declaration of a dividend or other distribution have the right to participate in that dividend or distribution.

Board of Directors

Composition

Our Board of Directors is responsible for the management of our Company. The Board of Directors comprises a maximum of 21 directors, which number may be changed from time to time upon resolutions adopted at a general shareholders' meeting, and of which at least 25% shall be independent pursuant to Articles 24 and 26 of the Mexican Securities Market Law, or any other provision replacing it from time to time and other applicable law.

An alternate director may be appointed in place of each director; provided, however, that alternates for independent directors shall have the same independence qualifications of the independent director on whose behalf they are acting.

Directors are considered independent when they meet the requirements for independence set forth in Article 26 of the Mexican Securities Market Law, or any other provision replacing it from time to time and any other guidance or regulation issued by the CNBV.

Director independence is determined by resolution adopted at an ordinary general shareholders' meeting. The CNBV prior right of hearing of the company and of the director, may reject the independence determination of any director within 30 Business Days' notice of the initial determination of said director's independence.

Directors may or may not be shareholders and shall serve on the Board of Directors until removed and a successor is appointed, provided that at all times they shall have legal capacity to perform their duties and shall not be prevented from executing business. At all times the provisions contained in the second paragraph of Article 24 of the Mexican Securities Market Law shall be complied with.

The Board of Directors may appoint provisional directors, without input from a shareholders' meeting, in the case of the death or disability of a director or expiration of his or her term. A general shareholders' meeting shall ratify such appointments or appoint the new directors in the meeting following such event.

Directors may only be removed by resolution adopted at an ordinary general shareholders' meeting.

Directors appointed by the shareholders upon approval of the initial public offering of Series A Shares of the Company shall remain in their position for at least 24 months following the date on which we publish the public notice for such offering (*aviso de colocación*).

Directors shall be appointed by a majority vote of shareholders at an ordinary general shareholders' meeting; provided that for each 10% of outstanding capital stock held, a minority holder has the right to appoint one director.

Each year, the Chairman of the Board of Directors shall be appointed either at a general shareholders' meeting or at a meeting of the Board of Directors. The chairman of the Board of Directors shall execute and carry out resolutions adopted at general shareholders' meetings and meetings of the Board of Directors without the need for a special resolution.

The Secretary non-member of the Board of Directors and the Deputy Secretary shall be appointed at either an ordinary general shareholders' meeting or at a meeting of the Board of Directors, as applicable. The Secretary shall not be a director but must carry out the obligations and duties prescribed by applicable law.

Temporary or permanent absences in the board of directors shall be covered by such directors' appointed alternates. The Chairman of the board of directors shall have a tie-breaking vote in all matters.

The Chairman of the board of directors may be of any nationality, will chair the meetings of the Board of Directors and, in his or her absence, such meetings will be chaired by one of the directors appointed by a majority vote of the other attending directors.

Meetings of the Board of Directors

A meeting of the Board of Directors may be called either by the chairman of the Board of Directors, the chairman of the audit committee, the chairman of the corporate practices committee, the Secretary non-member of the Board of Directors or 25% of the directors by means of written notice, including, but not limited to, fax or email, to all directors at least ten calendar days prior to the date set for such meeting. In the event that all directors are present, a meeting may be called to order without advance notice.

Our independent auditor may be called to attend any meeting of the Board of Directors with the right to speak but without voting rights; provided, however, that such auditor will never be present when matters which may raise a conflict of interest are discussed or that may compromise their independence.

Meetings of the Board of Directors shall be held at least 4 times during each fiscal year, in the corporate domicile of our Company, however, a meeting may be held outside of our corporate domicile or abroad if a majority of the directors approves it.

The minutes of meetings of the Board of Directors shall be transcribed into the Board of Directors' meetings minutes book and shall be signed by all persons in attendance or, if expressly authorized by agreement at the meeting, solely by the Chairman of the Board of Directors and the Secretary non-member of the Board of Directors. A record and copies of the minutes and/or unanimous written consents of each meeting of the Board of Directors, as well as transcripts of any calls and any relevant documents regarding meetings, shall be kept by us.

A meeting of the Board of Directors may be duly convened when a majority of directors are present. The Board of Directors shall make decisions through resolutions adopted by a majority vote of directors; in the event of a tie, the chairman of the Board of Directors shall cast the deciding vote.

Will be valid and legal all decisions made outside of meetings of the Board of Directors as long as taken by unanimous written consent of all directors and signed by all of the directors. The document in which the written confirmation is evidenced shall be sent to the Secretary of the Company, who will transcribe the relevant resolutions in the corresponding minutes book, and shall indicate that such resolutions were adopted pursuant to our bylaws.

Authority of the Board of Directors

The Board of Directors represents our Company in business and corporate matters and has general powers of attorney for lawsuits and legal proceedings and acts of administration and ownership, in accordance with the terms set forth in Article 2554 of the Civil Code for the Federal District (*Código Civil para el Distrito Federal*) and the correlative provisions of the civil codes for each of the states of Mexico and the Mexican Federal Civil Code (*Código Civil Federal*). The Board of Directors shall represent us before all types of administrative and judicial authorities, federal, state or municipal, before the Arbitration and Conciliation Board (*Junta de Conciliación y Arbitraje*) and other labor authorities and arbitrators. The aforementioned powers, include, but are not limited to, the following:

(i) performing all transactions and executing, amending and terminating agreements entered into pursuant to carrying out our corporate purposes;

(ii) opening, managing and canceling bank accounts, including, but not limited to, the authority to appoint signatories who may draw funds from such account;

(iii) withdrawing all types of deposits;

(iv) appointing and removing the chief executive officer and setting his or her total compensation, as well as the establishing policies for the appointment and total compensation of other relevant directors;

(v) granting and revoking general and special powers of attorney;

(vi) opening and closing branch offices, agencies and dependencies;

(vii) executing all resolutions adopted at general shareholders' meetings;

(viii) representing our Company where we may have an interest or other participation in other companies or entities, as well as buying or subscribing for shares or partnership interests therein, at the time of such entities' incorporation or at any other time;

(ix) filing all types of claims and *amparo* proceedings, participating in arbitration, assigning and/or encumbering assets, receiving payments and discussing, negotiating, executing and reviewing collective or individual labor agreements;

(x) initiating criminal claims and complaints, and act as an adjudicant before the Public Prosecutor (*Ministerio Público*);

(xi) accepting on our behalf mandates of legal entities or persons, either national or foreign;

(xii) authorizing our Company or our subsidiaries to make real or personal guarantees, as well as any fiduciary involvement in order to secure our liabilities and become a joint obligor, guarantor, surety and an obligor in general in compliance with third party liabilities and establish the necessary guarantees in order to secure such compliance;

(xiii) approving information and communication policies for shareholders and the market;

(xiv) calling for ordinary and extraordinary general and special shareholders' meetings and executing the resolutions thereof;

(xv) creating committees and appointing directors to serve as members on such committees (except for the appointment and ratification of chairmen of the audit committee and corporate practices committee, who shall be appointed by resolution at a general shareholders' meeting);

(xvi) establishing strategies to fulfill our corporate purposes;

(xvii) taking any action authorized by article 28 of the Mexican Securities Market Law or any other provision replacing it from time to time;

(xviii) approving the terms and conditions for the public offering and transfer of our treasury shares issued pursuant to Article 53 of the Mexican Securities Market Law;

(xix) appointing the person or persons in charge of carrying out the acquisition or placement of shares authorized by a shareholders' meeting, pursuant to Article 56 of the Mexican Securities Market Law, as well as the terms and conditions of such acquisitions and placements, within the limits set forth by the Mexican Securities Market Law and the relevant shareholders' meeting, and inform the shareholders' meeting of the result, in any fiscal year, of the exercise of such authorities;

(xx) appointing provisional directors, pursuant to the provisions of the Mexican Securities Market Law;

(xxi) approving the terms and conditions of settlements through which the liability of any director for breach of the duties of diligence or loyalty is resolved;

(xxii) general power of attorney for lawsuits and collections and acts of administration for labor matters, including, without limitation, as further detailed in our bylaws and power of attorney for lawsuits and collections and for acts of administration for labor matters so that the Board of Directors may act as our representative in all labor maters and have the authorities to execute all kinds of agreements and carry out all kinds of actions in such regard;

(xxiii) granting, revoking and canceling general and special powers of attorney within the scope of its authority and granting their substitution and delegation authority, except for those authorities the exercise of which is limited to the Board of Directors pursuant to applicable law or our bylaws; and

(xxiv) entering into any and all necessary or convenient legal acts, agreements and/or documents.

The Board of Directors, when applicable, shall additionally have, pursuant to the terms set forth in Article 9 of Mexico's General Law of Negotiable Instruments and Credit Transactions, a general power-of-attorney to issue, accept and endorse negotiable instruments, as well as to protest them and a general power-of-attorney to open and cancel bank accounts.

Committees

The general shareholders' meeting or the Board of Directors may constitute committees that consider necessary for their operation.

In addition, our Board of Directors will maintain an Audit Committee and a Corporate Practices Committee in accordance with the Mexican Securities Market Law, the members of such committees to be exclusively comprised of a minimum of three independent directors appointed by the Board of Directors, pursuant to the terms set forth in Article 25 of the Mexican Securities Market Law, any other provision replacing it from time to time and other applicable law.

The Audit Committee, the Corporate Practices Committee and other committees created pursuant to our bylaws, shall meet in the form and frequency established by each such committee in the first or last board meeting held during each year (in the latter case regarding the calendar of meetings to be held during the following fiscal year), without the need to call for the members for each meeting when such meetings have been previously scheduled in accordance with the meeting calendar approved by the relevant committee for such purposes; provided, however, that in order for such meetings to be duly convened, a majority of the members shall be present and resolutions shall be approved by a majority vote of the members of such committee.

In addition, each committee shall meet when decided by its chairman, the Secretary non-member of the Board of Directors or any of its members, upon prior notice given at least 3 Business Days in advance to all the members of the committee and the required alternates. The independent auditor of the Company may be invited to the meetings of the committees, as an invitee with the ability to speak but not to vote.

Decisions may be made outside of meetings of the committees and will have the same validity as if they had been approved in the session as long as they are approved by unanimous written consent of all committee members and signed by all of the members thereof. Likewise, the committees may meet at any moment, without prior notice, if all members are present.

Committees may not delegate their authorities as a whole to any person, but they may appoint deputies to implement their resolutions. The chairman of each committee will be entitled to individually implement such resolutions without needing express authorization. Each committee created pursuant to our bylaws shall inform the Board of Directors on an annual basis about the activities it performs or when it considers that facts or actions material for the Company have occurred. Minutes shall be prepared for each meeting of a committee, which shall be transcribed in a special minutes book. The minutes shall evidence the attendance of the members of the committee and the resolutions adopted, and they shall be signed by the individuals present and the Chairman and Secretary.

For all that is not provided herein or in the Mexican Securities Market Law, committees shall operate pursuant to rules set by our Board of Directors, unless otherwise prescribed in our bylaws or in the Mexican Securities Market Law.

Committees shall keep the Board of Directors appraised of their activities at least once a year.

Duties of Directors

The Mexican Securities Market Law imposes a duty of diligence and loyalty on the members of the board of directors, the members of the board's committees, the chief executive officer and on the relevant officers from which the chief executive officer seeks assistance. Such duty of diligence requires them to obtain sufficient information and to be sufficiently prepared in order to act in the best interest of the Company. The duty of diligence is complied with, mainly, by searching for and obtaining all the information that may be necessary in order to make decisions (including by means of hiring independent experts), attending sessions of the board of directors, of the committee in which they participate and disclosing to the board of directors relevant information in the possession of the relevant director or officer. Default of such duty of diligence by a board member subjects him or her to joint liability along with other board members that are liable in connection with the damages and lost profits caused to the Company or its subsidiaries.

The duty of loyalty mainly consists of a duty to act in the best interest of the Company and includes, primarily, the duty to maintain confidentiality of the information that the board members receive in connection with the performance of their duties, abstaining from voting in matters in respect to which they have a conflict of interest and abstaining from taking advantage of business opportunities of the Company. It is a violation of the duty of loyalty for a director to take actions that wrongfully benefit one or more shareholders, or for a director, without prior express consent of the disinterested members of the board of directors, to take a corporate opportunity that belongs to the Company or its subsidiaries.

It is also a violation of the duty of loyalty for a director to (i) use our assets, or consents to the use of our assets, in violation of any of our policies or (ii) disclose false or misleading information, order not to record, or prevent the recording of any transaction in our registries, which could affect our financial statements or cause important information to be improperly modified or not disclosed.

A director's failure to comply with the duty of diligence or the duty of loyalty shall make him or her jointly liable with other directors or officers who have also failed to comply therewith for any damages caused to our Company resulting therefrom in the cases in which they have acted in bad faith, willfully or illegally.

As a means of protection for our board members regarding breaches of the duty of diligence or the duty of loyalty, the Mexican Securities Market Law provides that directors will not be liable for the breach of such duties in the event that the board member acted in good faith and (a) in compliance with applicable law and our bylaws, (b) based on facts and information provided by our officers, independent auditors or experts whose credibility and reliability may not be reasonably questioned, and (c) elects the most suitable alternative in good faith or when the negative effects of such decision may not be reasonably foreseen based on the information available. Mexican courts have not interpreted the meaning of such provision and, therefore, its scope and meaning are uncertain.

Board members will be jointly liable with previous board members regarding irregularities caused by any prior board member if such irregularities are not reported to the audit committee and the corporate practices committee.

The members of the board of directors and the committees have no obligation to guarantee the performance of their positions.

The provisions regarding the duty of loyalty of the second and third paragraphs of Article 34 of the Securities Market Law must be observed.

The liability resulting from the breach of the duty of diligence or the duty of loyalty should be exclusive in favor of the Company, as the case may be, and may be exercised by the Company or by the shareholders who, individually or jointly, represent ownership of shares (including limited, restricted or non-voting shares) representing 5% or more of the share capital.

The members of the Board of Directors or the members of the committees should not be in default when they act in good faith or when any liability exclusion mentioned in Article 40 of the Mexican Securities Market Law, any other provision replacing it from time to time and other applicable law.

Audit and Corporate Practices Committees

The oversight of our management and conduct and execution of our business shall be vested in the board of directors through the Audit Committee and the Corporate Practices Committee, as well as our independent auditor.

The chairman of the audit committee and the chairman of the corporate practices committee shall be bound to provide an annual report pursuant to Article 43 of the Mexican Securities Market Law or any other provision replacing it from time to time.

Audit Committee

The audit committee shall be comprised of a minimum of three members, who shall be independent and shall be appointed at a general shareholders' meeting or a meeting of the board of directors upon a proposal by the Chairman of the board of directors, except for the chairman of the Audit Committee, who shall be appointed and/or removed from office exclusively by resolution adopted at a general shareholders' meeting. The chairman of the Audit Committee must also satisfy the requirements described in Article 43, Section II of the Mexican Securities Market Law to serve.

The audit committee shall perform the functions described in Article 42, Section II of the Mexican Securities Market Law, any other provision replacing it from time to time, guidance and/or regulation handed down by the CNBV and other applicable law. These functions include, but are not limited to giving an opinion to the board of directors about matters entrusted to the Audit Committee, discussing the financial statements of our Company with the persons responsible for preparing them, informing the board of directors about the state of affairs concerning the internal control and audit systems of our Company, preparing an opinion about accounting policies and criteria and, in general, overseeing the corporate conduct of our Company.

The Audit Committee will review, on a quarterly basis, all payments made by the Company to Riverstone, any of its affiliates or our other directors and officers.

We shall have an independent auditor to perform audits in compliance with the Mexican Securities Market Law.

Corporate Practices Committee

The corporate practices shall be comprised of a minimum of three members, who shall be independent and shall be appointed at a general shareholders' meeting or a meeting of the Board of Directors upon a proposal by the Chairman of the board of directors, except for the chairman of the Corporate Practices Committee, who shall be appointed and/or removed from office exclusively by resolution adopted at a general shareholders' meeting. The chairman of the Corporate Practices Committee must also satisfy the requirements described in Article 43, Section I of the Mexican Securities Market Law to serve.

The corporate practices committee shall have the functions described in Article 42, Section I of the Mexican Securities Market Law, any other provision replacing it from time to time, guidance and/or regulation handed down by the CNBV and other applicable law. These functions include, among others derived from the Mexican Securities Market Law, issuing an opinion to the board of directors as requested about matters related to compliance with the Mexican Securities Market Law and our bylaws, requesting opinions from independent experts in connection with matters to be submitted for approval to the board of directors or in respect to which there is a conflict of interest, calling shareholders' meetings and supporting the board of directors in the preparation of reports.

Indemnification

Pursuant to our bylaws, we shall indemnify and hold harmless the members, alternates and officers of the Board of Directors, the Audit Committee, the Corporate Practices Committee, any other Committees created by us, the Secretary and the Deputy Secretary non-members of the Board of Directors, and the Chief Executive Officer and other relevant officers, in relation to the performance of their duties, such as any claim, demand, proceeding or investigation initiated in Mexico or in any of the countries in which our shares are registered or listed, other securities

issued on the basis of such shares or other fixed or variable income securities issued by us, or in any jurisdiction where we, or the companies we control, operate, in which such persons may be parties as members of such bodies, owners or alternates, and officials, including the payment of any damages or losses that have been caused and the amounts necessary to arrive, if deemed appropriate, to a transaction, as well as the total fees and expenses of lawyers (reasonably and documented) and other advisors to be retained to ensure the interests of such persons in the aforementioned cases, on the understanding that the Board of Directors shall be the body empowered to resolve, in the aforementioned cases, whether it considers convenient to retain the services of lawyers and other different advisors to those who are advising us in the relevant case. This indemnity shall not apply if such claims, demands, proceedings or investigations result from gross negligence, willful misconduct, bad faith or illegally pursuant to the applicable law of the indemnified party concerned. Furthermore, we may purchase, in favor of the members of the Board of Directors, the Audit Committee, the Corporate Practices Committee and any other committees formed by us, of the Chief Executive Officer or any other relevant officer, the insurance, bond or guarantee which covers the amount of the indemnity for the damages caused by his/her performance within our organization or entities controlled by us or in which we have significant influence, except in the event of acts of malice or bad faith, or illicit acts in accordance with the Mexican Securities Market Law or other applicable law.

Dissolution and Liquidation

The Company shall be dissolved upon occurrence of any of the events described in Article 229 of Mexico's General Law of Commercial Companies, any other provision replacing it from time to time and other applicable law. In each case, the registration with the RNV of the shares representing the capital stock of the Company and the warrants representing such shares shall be canceled.

Once the Company has been dissolved, it shall be placed in liquidation, which would be administered by one or more liquidators, who in such case shall act together as determined by resolution at a general shareholders' meeting. Such general shareholders' meeting will also set the termination date of the liquidator's employment with the Company and their compensation.

The liquidator or liquidators will proceed with the liquidation and the *pro rata* distribution of the value of the remaining assets of the Company, if any, to shareholders, in accordance with Mexico's General Law of Commercial Companies.

Preferred Subscription Rights

Except for the capital increases approved by the shareholders' meetings, shareholders shall have, in proportion to the number of shares they hold when the relevant increase is resolved, preemptive rights to subscribe for new stock issuances to maintain their current percentage of ownership. The foregoing preemptive right must be exercised within 15 calendar days following our approval of such new stock issuance, as published in the electronic system of Mexico's Ministry of Economy.

The preferred subscription right provided in Article 132 of Mexico's General Law of Commercial Companies shall not be applicable in the event of capital increases made (i) pursuant to Article 53 of the Mexican Securities Market Law, (ii) an issuance of convertible securities, (iii) in a conversion of a series of shares to another series upon resolution adopted at a general shareholders' meeting, (iv) as a result of the merger of our Company, whether as a continuing or disappearing company or (v) as a consequence of the placement of repurchased shares in terms of applicable law.

Redemption

We may redeem shares with distributable profits without need to reduce our capital stock; provided that, in addition to complying with Article 136 of Mexico's General Law of Commercial Companies, or any other provision replacing them from time to time and other applicable law, we comply with the following:

(i) if the redemption is intended to redeem all shares held by our shareholders, such redemption shall be made so that the shareholders shall continue to have the same proportion of shares they had before such redemption took place;

(ii) if the redemption is intended to redeem shares that are listed on a stock exchange, such redemption will be made through the acquisition of our own shares on such said stock exchange in accordance with the terms and conditions approved by resolution at a general shareholders' meeting, which may delegate to the board of directors or special deputies the authority to determine the system, prices, terms and other conditions for that end and the relevant shareholders' resolutions shall be published in the electronic system of the Mexican Ministry of Economy; and

(iii) the redeemed shares and the certificates representing them are canceled, with the corresponding capital decrease.

Minority Rights

The bylaws provide the following minority rights:

(i) pursuant to the provisions set forth in Article 50, Section III of the Mexican Securities Market Law, or any other provision replacing it from time to time and other applicable law, the holders of shares with voting rights (even limited or restricted) represented in an ordinary or extraordinary general shareholders' meeting, holding 10% or more of our outstanding capital stock either individual or jointly, may request to postpone a meeting for one time only, for three calendar days and without a new call needed with respect to the voting on any matter on which they consider themselves not to be sufficiently informed, notwithstanding the percentage provided in the article 199 of Mexico's General Law of Commercial Companies, or any other provision replacing it from time to time or any other applicable provisions;

(ii) the holders of shares with voting rights (even limited or restricted) that individually or jointly represent 20% or more of our outstanding capital stock, may oppose in court resolutions adopted at general shareholders' meetings regarding matters on which they have voting rights, notwithstanding the percentage referred to in Article 201 of Mexico's General Law of Commercial Companies, or any other provision replacing it from time to time provided that certain requirements are fulfilled;

(iii) shareholders that, individually or jointly, are holders of the shares with voting rights (even limited or restricted rights) representing 10% or more of our outstanding capital stock, shall have cause of action against any or all of our board members, directors, the Chief Executive Officer or any other relevant officer for failing to comply with his or her duty of diligence and duty of loyalty or against such legal entity that such person manages or over which he or she has a significant influence; and

(iv) shareholders that, individually or jointly, hold shares with or without voting rights that represent 10% or more of our outstanding capital stock, shall have the right to appoint and/or remove from office, upon resolution adopted at a general shareholders' meeting, one director for each 10% of outstanding capital stock held such board member may only be removed from office if all the members of the board of directors are removed, in which case the board members who were removed shall not be appointed again during the 12 months following from the date of such removal.

Restrictions on the Transfer of Shares

Every direct or indirect acquisition or attempted acquisition of our capital stock of any nature and regardless of the name it is given, under any title or legal structure, with the intention of carrying-out, be it in one or several simultaneous or successive transactions or acts of any legal capacity, with no time limitation between them, in a private transaction or through a stock exchange, whether in Mexico or abroad, including structured transactions such as mergers, corporate restructures, spin-offs, consolidations, allocations or guaranties executions or other similar transactions or legal acts (any such operation, an "Acquisition"), by one or more persons, related persons (*grupo de personas* or "group") under the Mexican Securities Market Law, business group or consortium, will require approval through a written resolution adopted by our board of directors, each time that the number of shares to be acquired, when added to any shares already owned, results in the acquiring party 10% or more of our capital stock. Once a holder holds such percentage of our capital stock, the holder must notify the board of directors through notice provided to the Chairman or Secretary, in our corporate domicile, of any subsequent acquisition of 2% or more of our

outstanding capital stock. For the avoidance of doubt, no additional authorization is required to carry-out such acquisitions or to execute a voting agreement until the ownership percentage in our outstanding capital stock is equal to or greater than 20%.

Shareholders must request a favorable opinion from the board of directors, in writing, for the execution of written or oral agreements, regardless of their name or title or classification, as a consequence of which voting associations, block voting or binding or joint voting mechanisms or covenants are formed or adopted or certain shares are combined or shared in any other manner, such agreement resulting in a change of control of our Company or an effective 20% ownership of our outstanding capital stock (each, a Voting Agreement and jointly, the Voting Agreements), except for temporary Voting Agreements that are executed in connection with a general shareholders' meeting, with the purpose of appointing minority members of the board of directors.

For such purposes, the person who individually, or jointly with related persons, group, business group or consortium that intends to carry out any Acquisition or execute any Voting Agreement, shall make a written authorization request to the board of directors and shall contain the following information:

(i) the number and class or series of shares held by the applicable person or persons and/or any related persons thereof, the group, business group or consortium (a) be it as an owner or co-owner, directly or through any person or related person, and/or (b) regarding shares subject to an executed Voting Agreement;

(ii) the number and class or series of shares that it intends to acquire, whether directly or indirectly, by any means, through Acquisition or that is the subject of a Voting Agreement; as well as the minimum price to be paid for each share related with the corresponding acquisition.

(iii) (a) the percentage which the shares referred to in subsection (i) above represents of the total of our issued and outstanding shares, and (b) the percentage that the sum of the shares referred to in subsections (i) and (ii) above represent of our issued and outstanding shares; provided that for (a) and (b) the total of our issued and outstanding shares may be determined by the total number of shares that we report as outstanding to the stock exchange on which they are listed;

(iv) the identity and nationality of the person or persons, group, business group or consortium that intends to carry-out an Acquisition or execute a Voting Agreement; provided that if any of them is a corporate entity, the identity and nationality of each of the partners, shareholders, founders, beneficiaries or any equivalent thereto that ultimately has direct or indirect control of such entity in accordance with our bylaws;

(v) the reasons and objectives pursuant to which the person or persons, group of persons, business group or consortium that intends to carry-out an Acquisition or execute a Voting Agreement, in particular if they intend to acquire, directly or indirectly, (a) shares in addition to those referred in the authorization request, (b) 20% ownership of our capital stock, (c) control of our Company, or (d) significant influence in our Company, as well as the intended role with respect to the policies and management of our Company and any amendment they would like to propose with respect to the policies and management of our Company;

(vi) if the person or persons, group, business group or consortium have direct or indirect ownership in the capital stock or in the management and operation of a competitor or any related person to a competitor, if they have any economic or business relationship with a competitor or with any related person to a competitor or if any related person of theirs is a competitor;

(vii) if they have the authority to acquire shares or execute a Voting Agreement, in accordance with our bylaws and applicable law, or if they are in the process of obtaining any such authorization or consent from any person, and the terms and timing on which they expect to obtain it;

(viii) the origin of the funds they intend to use to pay the price of the shares requested; provided that with respect to funds obtained from financing, the requesting party shall specify the identity and nationality of the person providing such funding and if such person is a competitor or a related

person to a competitor, and any documentation evidencing the financing and the terms and conditions thereof. The board of directors may request from the person that sends such a request, if considered necessary to guarantee the payment of the corresponding Acquisition price and before granting authorization in accordance with the above, additional evidence regarding the financing (including evidence that there are no prohibitive covenants pursuant to such financing) or, the formation or granting of a (a) bailment, (b) guarantee trust, (c) irrevocable letter of credit, (d) deposit or (e) any other type of guarantee, up to the equivalent amount of 100% of the price of the shares that are to be acquired or that are the subject matter of the corresponding transaction or agreement, naming the shareholders, directly or through our Company, as beneficiaries, with the purposes of securing the compensation of the losses and lost profits that our Company or its shareholders may suffer as a consequence of the incorrect information presented or of the request, or for any action or omission of the petitioner, directly or indirectly, or as a consequence of the impossibility to complete the relevant transaction, for any cause, related or not to the financing;

(ix) the identity and nationality of the financial institution that would act as broker, in the event that the Acquisition in question is through a public offering;

(x) if, there is to be a public offering, a copy of the offering circular or similar document, to be used for the acquisition of the shares or regarding the corresponding transaction or agreement, and a representation stating if such document has been authorized by the competent regulatory authorities (including the CNBV); and

(xi) a domicile in Mexico City, Mexico, to receive notices regarding the filed request.

In the event that the board of directors resolves, due to the impossibility of knowing certain information upon receiving the request, that such information may not yet be disclosed, the board of directors may, at its sole discretion, waive the compliance of one or more of the aforementioned requirements:

(i) within 15 business days following the date upon which the request referred to above has been received, the Chairman or Secretary shall call a meeting of the board of directors to discuss and resolve the matter of the requested authorization (notice for such meetings shall be made in writing and sent in accordance with our bylaws); and

(ii) the board of directors may request from the person intending to carry-out the Acquisition or execute the corresponding Voting Agreement, additional documentation and clarifications as it sees fit to adequately analyze the request, to agree upon the authorization request as filed; provided that any request of such nature on behalf of the board of directors shall be made during the subsequent 20 calendar days following the receipt of the request, and provided that such request will not be considered as final and complete until the person who intends to carry-out the Acquisition or execute the Voting Agreement, files all the additional information and makes all the clarifications requested by the Board of Directors.

The board of directors shall resolve any authorization request it receives pursuant to the terms of our bylaws within 90 calendar days following the delivery of the request or on the date in which such request is finalized as discussed above.

The board of directors shall adopt a resolution approving or rejecting the request; provided that if the board of directors does not issue such resolution within the aforementioned 90-calendar days, the request shall be deemed as rejected. In all cases, the board of directors will act in accordance with the guidelines set forth in the second paragraph of the section entitled “Description of the Series A Shares and Bylaws—Restrictions on the Transfer of Shares—General Provisions” below and shall justify their decision in writing.

(i) To consider a meeting of the board of directors duly convened, by first or subsequent call, to deal with any matter regarding an authorization request or agreement referred herein, the attendance of at least 66% of incumbent directors or their alternates is required. Such resolutions will be valid and adopted when approved by 66% of the members of the Board of Directors.

(ii) In the event that the board of directors authorizes the requested Acquisition or the execution of a proposed Voting Agreement, and such Acquisition or agreement results or would be likely to result in (a) the acquisition of 30% or more of our capital stock or, but without involving a change of control, in addition to any authorization requirement established in our bylaws, the person or group intending to carry out the Acquisition or enter into the Voting Agreement the acquisitions of shares or the conclusion of the respective Voting Agreement which is the object of the authorization, shall first execute a tender offer for the greater of (i) the percentage of the Company's capital stock equivalent to the proportion of Shares in circulation that is intended to be acquired or (ii) 10% of the Company's capital stock, under the authorized conditions resolved by the board of directors, or (b) a change of control, in addition to any authorization requirement established in our bylaws, the person or group, intending to carry out the Acquisition or execute the Voting Agreement, shall first execute a tender offer for 100% of our outstanding Shares, under the authorized conditions resolved by the board of directors. The tender offer referred to in the paragraph above shall be completed within 90 calendar days following the date on which the authorization was granted by the Board of Directors; provided that such term may be extended by an additional 60 calendar days in the event that any relevant governmental authorizations required for such purposes are pending.

The price to be paid for each of the shares will be the same, regardless of their class or series.

In the event that the board of directors receives, prior to or at the completion of the Acquisition or the execution of a Voting Agreement, an offer from a third party, stated in a request to carry out an acquisition of at least the same amount of shares, on better terms for the owners and shareholders of the Company (including type of compensation and price), the board of directors will have the authority to consider, after the submission of both requests, and to authorize such a second request, suspending the authorization previously granted; provided that any approval shall have no effects on the obligation of carrying out a tender offer in accordance with our bylaws and applicable law.

(i) Acquisitions that do not result in (i) the acquisition of 20% of our capital stock or (ii) a change of control or (iii) the acquisition of significant influence regarding the Company may be registered in our stock registry book after authorization by the board of directors and the completion of such transactions. Acquisitions or Voting Agreements that result in (i) or (ii) above, may be registered in our stock registry book upon the completion of a tender offer pursuant to the terms discussed above. Consequently, in such case it will not be possible to exercise the rights arising from the shares until such tender offer is concluded.

(ii) The board of directors may deny authorization for a requested Acquisition or for the execution of a proposed Voting Agreement, in which case it will inform, in writing, the basis and reasons for such denial. The requesting party will have the right to request and hold a meeting with the board of directors, or with an ad-hoc committee appointed thereby, to explain, extend or clarify the terms of its request, as well as communicate its position in writing to the board of directors.

General Provisions

For the purposes herein, it is to be understood that shares belong to the same person, when such shares are (i) owned by any related person or (ii) owned by any entity, provided that such entity is owned by the aforementioned person. Likewise, a person or group that acted jointly or coordinated with others to acquire shares, regardless of the legality of such transaction, whether through simultaneous or successive transactions will be deemed as the same person for the purposes herein. The board of directors will determine if one or more persons that intend to acquire shares or execute Voting Agreements shall be considered as the same person for the purposes set forth herein.

In its assessments of authorization requests, the board of directors shall take into consideration the following factors and any other as deemed pertinent, acting in good faith and in the best interests of our Company and shareholders and in compliance with their duties of loyalty and diligence pursuant to the terms of the Mexican Securities Market Law and our bylaws: (i) the price offered by the potential buyer and the type of compensation planned as part of such offer; (ii) any other relevant terms or conditions included in such offer such as to the viability of the offer and the origin of the funds to be used for the acquisition; (iii) the credibility, solvency and reputation of the potential buyer; (iv) the effect of the proposed Acquisition or the proposed Voting Agreement on our business,

including our financial and operational position as well as our business prospects; (v) potential conflicts of interest (including those where the person making the request is a competitor, or an affiliate of a competitor, as described in the paragraphs above) in the event that the Acquisition or Voting Agreement is not with regard to 100% of the shares; (vi) the reasons stated by the requestor to carry out the Acquisition or execute the Voting Agreement; and (vii) the quality, precision and truthfulness of the information provided in the request.

If the Acquisition or the execution of a Voting Agreement is to occur, without first receiving authorization in advance and in writing from the board of directors, the shares part of such Acquisition or in connection with such Voting Agreement will not be granted any rights to vote in any general shareholders' meeting and will be made at the buyer's, group of buyers' or parties' to the relevant contract, agreement or covenant own liability. The shares part of such Acquisition or Voting Agreement that has not been approved by the board of directors shall not be registered in our stock registry book, the entries made beforehand shall be canceled and we shall not acknowledge or give any value to the records or listings as described in Article 290 of the Mexican Securities Market Law, or any other provision which might replace it from time to time and other applicable law, and they shall not be considered as proof of ownership of shares or grant attendance rights for general shareholders' meetings and shall give no legitimacy for the exercise of any legal action, including those of a procedural nature.

The authorizations granted by the board of directors described above will have no effect if the information and documentation on which the authorization was based and granted is not true, complete and/or legal.

In the event of any failure to comply with what is set forth above, the board of directors may adopt, among others, the following measures: (i) the rescission of the transactions, with mutual restitution to the parties thereto, or (ii) the sale of the shares part of such Acquisition, to a third party approved by the board of directors at the minimum reference price as determined by the Board of Directors.

The above shall not be applicable to (i) share acquisitions through inheritance or legacy or to affiliates or vehicles wholly controlled by the person or entity carrying out the transfer, (ii) share acquisition or the execution of a Voting Agreement by us, or by a trust formed by us, (iii) share acquisition made by Strategic Partner or (iv) the transfer into a control trust or similar entity which the shareholders may form at the time of an initial public offering of our shares in Mexico.

The above applies in addition to the statutes and general rules regarding the acquisition of securities in the markets in which the shares, other securities related thereto or rights derived therefrom are listed. In the event that our bylaws run counter, in part or in whole, to any laws or general provisions thereof, then such laws shall prevail.

These provisions of our bylaws will be registered with the public registry of commerce of our domicile and shall be transcribed in the share certificates representing our capital stock in order to be opposable vis-à-vis third parties. The provisions included of our bylaws described above with respect to restrictions on transfers of shares may only be amended or removed from the bylaws by resolution upon approval of at least 95% of the Company's shares at the time of such resolution.

Delisting or Cancellation of the Registration of the Shares with the RNV

In the event that we decide to cancel the registration of our series A shares before Mexico's National Securities Registry by resolution adopted at an extraordinary general shareholders' meeting, upon approval of at least 95% of our capital stock or if our registration is canceled by resolution of the CNBV after this offering is completed, prior to such cancellation, we shall make a tender offer within a maximum period of 180 calendar days beginning at the time in which the demand or authorization from the CNBV, as the case may be, becomes effective, in accordance with Article 108 of the Mexican Securities Market Law, or any other provision replacing it from time to time and other applicable law. That offer shall be extended solely to those persons who do not belong to the group of shareholders that exercises control over us. Shareholders exercising control (as defined in the Mexican Securities Market Law) will be collaterally liable to the Company for carrying out a tender offer of the outstanding Shares in the event of our liquidation or a cancellation request from the CNBV.

In accordance with Article 108 of the Mexican Securities Market Law and Article 101 of the Mexican Securities Market Law, our board of directors shall prepare, no later than the tenth Business Day after the beginning of the public tender offer, a hearing of the Audit and Corporate Practices Committee, and shall disclose to the investing public, its opinion with respect to the price of the public tender offer and the conflict of interests that, as the case may be, each of the members of the board of directors has in connection with the offering. Such opinion may be accompanied with another one issued by an independent expert. Likewise, the members of the board of directors and the Chief Executive Officer of the Company shall disclose to the public, along with the aforementioned opinion, the decision they will take with respect to the shares of the Company they own and the derivative securities of the Company they own.

Loss of Rights over the Shares

We are incorporated under the laws of Mexico. As required by Mexican law, any non-Mexican who, either at the time of our incorporation or at any time thereafter, acquires shares or any interest, formally undertakes, before the Ministry of Foreign Affairs, to be considered as a Mexican national with respect to its interests in the Company, as well as the property, rights, concessions, participation or interests held by the Company, and the rights and obligations deriving from the agreements to which the Company is a party, and further undertakes not to invoke the protection of its home government with respect to such interest. Upon the breach of such undertaking, such person is under penalty of forfeiting such shares or interests in favor of the Mexican government. Mexican law requires that such a provision be included in the bylaws of all Mexican corporations unless such bylaws or applicable law prohibit ownership of shares by non-Mexican persons.

Reductions of our capital stock may be resolved to absorb losses in the event that any shareholder exercises its right of separation in terms of Article 206 of Mexico's General Law of Commercial Companies, or any other provision replacing it from time to time and other applicable law.

MATERIAL CONTRACTS

For information regarding our material contracts, see "Item 4—Information on the Company—Business overview—Our Operations—Argentina—Concessions" and "Item 5B—Liquidity and Capital Resources—Indebtedness."

EXCHANGE CONTROLS

On September 1, 2019, after the market disruptions caused by the results of the national primary elections, with the purpose of strengthening the normal functioning of the economy, fostering a prudent administration of the exchange market, reducing the volatility of financial variables and containing the impact of the variations of financial flows on the real economy, the Argentine government issued Decree No. 609/2019 whereby foreign exchange controls were temporarily reinstated. The decree: (i) reinstated, originally until December 31, 2019, the exporters' obligation to repatriate the proceeds from exports of goods and services in the terms and conditions set forth by the Argentine Central Bank's implementing regulations and settle for Pesos through the FX Market; and (ii) authorized the Argentine Central Bank to (a) regulate access to the FX Market for the purchase of foreign currency and outward remittances; and (b) set forth regulations to avoid practices and transactions aimed to circumvent, through the use of securities and other instruments, the measures adopted through the decree. On the same date, the Argentine Central Bank issued Communication "A" 6770, which was subsequently amended and supplemented by further Argentine Central Bank communications.

On December 28, 2019, through Decree No. 91 the Argentine Executive Branch, amended Article 1 of Decree No. 609 (which established that, until December 31, 2019, the value received on the export of goods and services must be repatriated to Argentina and converted to pesos by means of settlement in the FX Market to pesos in accordance with the terms and conditions set forth by the FX Regime), extending the obligation to repatriate and settle through the FX Market regime of Decree No. 609 for an indefinite period of time. Likewise, on December 30, 2019, the Argentine Central Bank by means of Communication "A" 6856, extended this obligation for an indefinite period.

As of the date of this annual report, foreign exchange regulations have been consolidated in a single regulation, Communication "A" 6844, as subsequently amended and supplemented from time to time by Argentine Central Bank's communications (the "FX Regulations"). Below is a description of the main exchange control measures implemented by the FX Regulations:

Reporting Regime

On December 28, 2017, the BCRA replaced the reporting regimes set forth on Communications "A" 3602 and "A" 4237 with Communication "A" 6401 (and supplemental Communication "A" 6795), a unified regime applicable from December 31, 2017 (the "External Assets and Liabilities Reporting Regime"). Under such regime, Argentine residents (both legal entities or natural persons) whose foreign assets or debts flow or balance during the previous calendar year equal to or in excess of the equivalent of US$1 million in Argentine Pesos are required to report foreign holdings of (i) shares and other capital participations; (ii) debt; (iii) financial derivatives; and (iv) real estate, on an annual basis. Argentine residents whose foreign assets or debts flow or balance during the previous calendar year equal to or in excess of US$50 million in Argentine Pesos, are required to comply with these reporting obligations on a quarterly basis. From March 31, 2020, all residents with external liabilities at the end of any quarter, or residents who have cancelled any of its external liabilities during such period, must file the report within 45 calendar days from the end of the quarter.

Residents whose foreign assets or debts flow or balance equal to or in excess of the equivalent of US$50 million in Argentine Pesos at the end of each calendar year, are required to file within 180 calendar days from December 31, an annual report where supplements, amendments or confirmation of information contained in previously quarterly filings can be included.

Access to the foreign exchange market for repayment of external financial indebtedness and other transactions are conditioned to the debtor's compliance with the External Assets and Liabilities Reporting Regime.

Moreover, the institutions authorized to deal in foreign exchange shall provide the Argentine Central Bank, at the end of each business day and two business days in advance, with information on transactions relative to outflows through the FX Market in daily amounts equal to or higher than the equivalent of US$50,000 (fifty thousand U.S. Dollars).

Customers of licensed institutions shall provide such institutions with information sufficiently in advance so that they may comply with the requirements under this reporting regime and, accordingly, to the extent any further requirements set forth in the exchange regulations are simultaneously satisfied, they may process the exchange transactions.

Specific provisions for inward remittances

Repatriation and settlement of the proceeds of exports of goods.

In accordance with section 7.1 of the FX Regulations, exporters must repatriate, and settle in Argentine Pesos through the FX Market, the proceeds of their exports of goods cleared through customs as from September 2, 2019. Additionally, exporters who carried out operations with related counterparties (in which the importer is a company controlled by the Argentine exporter), may request their respective monitoring entities to extend the entry period up to 120 calendar days. This extension will apply in cases where exports of more than U.S.$ 50,000,000 have been registered and the goods correspond to the positions detailed in said standard (mainly related to the meat industry).

Any foreign currency amounts derived from insurance claims, to the extent that they cover the value of the exported goods, are subject to the obligation to repatriate and convert said amounts into pesos by means of settlement in the FX Market within the applicable term for the underlying export.

Although the FX Regulations maintain the obligation to repatriate export proceeds to Argentina through the FX Market, in accordance with section 2.6, exporters are authorized to avoid the settlement in Argentine Pesos to the extent that: (a) the funds are credited to foreign-denominated accounts in the name of the exporter, opened at local banks; (b) the funds are brought to Argentina within the applicable period established; (c) the funds are simultaneously applied to conduct payments for which the regulations grant access to the FX Market, subject to any applicable caps; (d) if the funds correspond to the proceeds of new external financial indebtedness and are applied to the prepayment of foreign currency-denominated loans with local banks, the new indebtedness must have a longer average life than the local indebtedness, and (e) the mechanism is tax-neutral.

Amounts collected in foreign currency for insurance claims related to the exported goods must also be repatriated and settled in Argentine Pesos in the FX Market, up to the amount of the insured exported goods.

Moreover, through section 8 of the FX Regulations, the Argentine Central Bank reinstated the export proceeds monitoring system, setting forth rules governing such monitoring process and exceptions thereof. Exporters will need to appoint a financial entity in charge of monitoring compliance with the aforementioned obligations.

Decree No. 661/2019 clarified that the collection of the export benefits set forth under the Argentine Customs Code shall be subject to the exporter complying with the repatriation and Argentine Peso settlement obligations imposed by the new FX Regulations.

Finally, the FX Regulations authorize the application of export proceeds to the repayment of: (i) pre-export financings and export financings granted or guaranteed by local financial entities; (ii) foreign pre-export financings and export advances settled in the FX Market, provided that the relevant transactions were entered into through public deeds or public registries; (v) financings granted by local financial entities to foreign importers; and (vi) financial indebtedness under contracts executed prior to August 31, 2019 providing for cancellation thereof through the application abroad of export proceeds. The application of export proceeds to the repayment of other indebtedness shall be subject to Argentine Central Bank approval.

Obligation to repatriate and settle in Pesos the proceeds from exports of services

Section 2.2 of the FX Regulations imposes to exporters the obligation to repatriate, and settle in the FX Market, the proceeds from exports of services within 5 business days following payment thereof.

Sale of non-financial non-produced assets

Pursuant to section 2.3 of the FX Regulations, the proceeds in foreign currency of the sale of non-financial non-produced assets must be repatriated and settled in Pesos in the FX Market within 5 business days following either the perception of funds in the country or abroad, or their accreditation in foreign accounts.

External financial indebtedness

Section 2.4 of the FX Regulations have reinstated the requirement to repatriate, and settle in Argentine Pesos through the FX Market, the proceeds of new financial indebtedness disbursed from and after September 1, 2019 as a condition for accessing the FX Market to make debt service payments thereunder. Although the regulations do not establish a specific term for repatriation, this requirement shall be met any time prior to accessing the FX Market. The reporting of the debt under the reporting regime established by Communication "A" 6401 (as amended and restated from time to time, the "External Assets and Liabilities Reporting Regime") is also a condition to accessing the FX Market to repay debt service.

Subject to compliance with the aforementioned obligations, access to the FX Market is granted for the repayment of debt services at maturity or up to 3 business days in advance. In addition, as set forth by section 3.5 of the FX Regulations, access to the FX Market for prepayments will be granted, provided all of the following conditions are met: (i) the prepayment is simultaneous with the conversion of the new indebtedness to Pesos; (ii) the new indebtedness has a higher average life than the outstanding of the current debt being prepaid; and (iii) the first principal payment under the new indebtedness is (a) at a later date and (b) for an amount not greater than, the scheduled principal payment under the existing debt being prepaid.

Moreover, Communication "A" 7193 established that financial entities will be required to obtain the prior consent of the Central Bank to provide their clients with access to the foreign exchange market for payments, with regards to payment operations included in Sections 3.1. to 3.11. and 4.4.2. of the FX Regulations (including those that are specified through exchanges or arbitrations), to individuals or entities included by the AFIP in the database of "false" invoices or equivalent documents established by such Agency. This requirement will not be applicable to access the foreign exchange market for the payment of financing in foreign currency granted by local financial entities, including payments in foreign currency made through credit or purchase cards.

Duly registered securities that are denominated and payable in foreign currency in Argentina

In accordance with section 2.5 of the FX Regulations issued by the Argentine Central Bank, resident debt issuers are granted access to the FX Market for the payment at maturity of principal and interest under new duly registered issuances of debt securities that are denominated and payable in foreign currency in Argentina, to the extent they (i) are fully subscribed in foreign currency, and (ii) the proceeds from the issuance are settled through the FX

Market. However, the settlement of the proceeds from the issuance shall not be required for the future access to the FX Market for repayment of domestic issuances as provided in (ii) above, provided that certain conditions are met (i.e., the proceeds are deposited in a local foreign currency-denominated bank accounts and are simultaneously applied to transactions having access to the FX Market, and the mechanism is tax neutral, among others).

Payments of local debt securities denominated in foreign currency among residents

In accordance with section 3.6 of the FX Regulations, access to the FX Market for the payment of foreign currency denominated obligations between Argentine residents executed from September 1, 2019 is subject to prior approval from the Argentine Central Bank. With regard to existing transactions as of such date, access is authorized; provided that the relevant transactions were entered into through public deeds or public registries. These prohibitions do not apply to loans in foreign currency granted by local financial entities, including payments of credit cards.

Access to the FX Market by security trusts for principal and interest payments.

Pursuant to section 3.7 of the FX Regulations, Argentine security trusts created to guarantee principal and interest payments by resident debtors may access the FX Market in order to make such payments at their scheduled maturity, to the extent that, pursuant to the current applicable regulations, the debtor would have had access to the FX Market to make such payments directly. Also, subject to certain conditions, a trustee may access the FX Market to guarantee certain capital payments and interest on financial debt abroad and anticipate access to it.

Specific Provisions Regarding Access to the Exchange Market

Residents are authorized to access the FX Market for the payment of import of goods in accordance with section 10.1 of the FX Regulations. This regulation sets forth different requirements depending on whether it relates to the payment of imports of goods with customs clearance or the payments of import of goods pending customs clearance. Also, the imports and import payments monitoring system (SEPAIMPO) has been reinstated, setting forth rules governing such monitoring process and exceptions thereof.

Pursuant to the FX Regulations, the local importer must appoint a local financial entity to act as a monitoring bank, which will be responsible for verifying compliance with the applicable regulations, including, among others, the liquidation of import financing and the entry of imported goods.

Payment of services provided by non-residents

Pursuant to section 3.2 of the FX Regulations, residents may access the FX Market for payment of services provided by non-residents (except affiliates), as long as it is verified that the operation has been declared, if applicable, in the last presentation of the External Assets and Liabilities Reporting Regime.

Access to the FX Market for the prepayment of debts for services requires prior authorization by the Argentine Central Bank. Such approval will be also required to pay services rendered by foreign affiliates, provided, however, that the following transactions will be exempted:

(i) in the case of credit card issuers, remittances related to tourism and travel activities will be exempted, to the extent that they do not relate to transactions requiring the Argentine Central Bank's prior approval as set forth in the FX Regulations;

(ii) collections of funds relating to services rendered by non-residents to residents, made by local agents in Argentina;

(iii) expenses paid by local institutions to offshore institutions in their ordinary course of business;

(iv) payments of reinsurance premiums abroad, provided that the transfer abroad is made in the name of a foreign beneficiary qualified by the Argentine Superintendence of Insurance;

(v) transfers made by travel assistance companies in connection with health-coverage related losses arising from services rendered abroad by third parties to their resident customers; and

(vi) payments under operating leases of vessels authorized by the Argentine Ministry of Transport and solely intended to provide services to another non-affiliated resident, provided that the amount payable abroad does not exceed the amount paid by the latter, net of commissions, reimbursement of expenses or other items that should be withheld by the resident who makes the payment abroad.

Repayment of principal and interest of imports of goods and services

Access to the FX Market for the repayment of principal and interest of imports of goods and services is granted provided that the operation has been declared, if applicable, in the last overdue presentation of the External Assets and Liabilities Reporting Regime.

Access to the FX Market for the prepayment of debts for imports of goods and services shall require prior authorization by the Argentine Central Bank.

Payments of principal and interest of foreign financial indebtedness

Section 7 of Communication "A" 7106 of the Argentine Central Bank establishes that debtors with scheduled principal payments maturing between October 15, 2020 and March 31, 2021 relating to

(i) foreign financial indebtedness of the non-financial private sector with a creditor who is not a counterparty related to the debtor;

(ii) foreign financial indebtedness on account of transactions of the debtor and/or

(iii) issuances of debt securities publicly registered in Argentina, denominated in foreign currency, of private sector customers or of the financial entities themselves,

must to submit a refinancing plan to the Argentine Central Bank in line with the following criteria (the "Refinancing Plan"):

(a) debtors were given access to the FX Market on the original maturity dates to make payments of net principal amounts not exceeding forty percent (40%) of the principal amounts due; and

(b) the balance of the principal amount shall have to be refinanced, at least, by means of a new foreign indebtedness with an average life of two (2) years.

Further, section 7 of Communication "A" 7106 of the Central Bank provides that, in addition to the refinancing granted by the original creditor, proceeds from new foreign financial indebtedness with other creditors shall also be computed, provided that the proceeds obtained therefrom be transferred and settled through the FX Market. In the case of issuances of debt securities publicly registered in Argentina and denominated in foreign currency, new issuances shall also be computed provided that certain conditions are met. In addition, Communication "A" 7106 established that the Refinancing Plan was to be submitted to the Argentine Central Bank before September 30, 2020 in respect of repayments maturing on or before December 31, 2020. In turn, for repayments maturing between January 1, 2021 and March 31, 2021, the Refinancing Plans had to be submitted no later than thirty (30) calendar days in advance of the due date for repayment of the principal to be refinanced. The abovementioned provisions shall not apply to: (i) indebtedness with international organizations or associated agencies thereof or secured by them; (ii) indebtedness granted to the debtor by official credit agencies or secured by them; and (iii) when the amount for which access to the FX Market is requested for repayment of principal under such indebtedness does not exceed the equivalent of US$1,000,000 (one million U.S. dollars) per calendar month, and US$2,000,000 (two million U.S. dollars) in the case of access to the foreign exchange market for the payment of .principal as from April 1, 2021.

Additionally, by virtue of the Communication "A" 7230, the Argentine Central Bank established that the provisions of section 7 of Communication "A" 7106 will be applicable to those debtors who have scheduled principal maturities between April 1, 2021 and December 31, 2021 for the indebtedness detailed therein. In such case, the refinancing plan must be submitted to the Argentine Central Bank before March 15, 2021 for principal maturities scheduled between April 1, 2021 and April 15, 2021. In the remaining cases, it must be submitted at least 30 calendar days prior to the maturity of the principal to be refinanced.

Lastly, it established that the presentation of the plan provided for in section 7 of such Communication shall not be necessary when the maturities correspond to: i) indebtedness originated as from 01.01.2020 and whose funds have been deposited and settled in the foreign exchange market; ii) indebtedness originated on or after 01.01.2020 and which constitute refinancing of principal maturities subsequent to that date, to the extent that the refinancing has made it possible to reach the parameters set forth in said point; and iii) the remaining portion of maturities already refinanced to the extent that the refinancing has made it possible to reach the parameters set forth in said item.

Through Communication "A" 7133 (amended by Communication "A" 7196), the Argentine Central Bank provided that:

(1) access to the FX Market up to 45 calendar days prior to the maturity date for the payment of principal of and interest on foreign financial debts or debt securities publicly registered in Argentina and denominated in foreign currency will be allowed if the prepayment is made by virtue of a debt refinancing process that complies with the provisions set forth in Communication "A" 7106 mentioned above and, additionally, when all of the following conditions are met: (a) the amount of interest paid does not exceed the amount of interest accrued on the refinanced indebtedness up to the date the refinancing was settled, and (b) the accumulated amount of the principal maturities of the new debt does not exceed the amount that the principal maturities of the refinanced debt would have accumulated;

(2) access to the FX Market prior to the maturity date for payment of interest on foreign financial debts or debt securities publicly registered in Argentina and denominated in foreign currency will be allowed if the prepayment is consummated as part of a process for the exchange of debt securities issued by the customer and all of the following conditions are met: (a) the amount paid before maturity corresponds to interest accrued as at the closing date of the exchange; (b) the average life of the new debt securities is longer than the remaining average life of the exchanged security; and (c) the accumulated amount of the principal maturities of the new securities does not exceed at any time the amount that the principal maturities of the exchanged securities would have accumulated; and

(3) pursuant to the provisions of section 7 of Communication "A" 7106 concerning scheduled principal repayments maturing between October 15, 2020 and March 31, 2021: (a) the Argentine Central Bank will consider the Refinancing Plan established therein completed when the debtor accesses the FX Market to pay off capital in an amount exceeding 40% of the principal amount that was then due, to the extent that the debtor settles currency on the FX Market as from October 9, 2020, in an amount equal to or greater than the excess over such 40%, on account of (i) foreign financial indebtedness, (ii) issuance of debt securities publicly registered abroad, (iii) issuance of debt securities publicly registered in Argentina and denominated in foreign currency that meet the conditions set forth in section 3.6.4 of Communication "A" 6844 of the Argentine Central Bank, and (b) in the case of debt securities publicly registered in Argentina or abroad, issued on or after October 9, 2020, with an average life of not less than two years, and the delivery of which to the creditors has allowed to reach the parameters provided in the proposed Refinancing Plan, the foreign currency settlement requirement was considered fulfilled for the purposes of being allowed access to the FX Market for the service of principal and interest thereon.

In line with the Argentine Central Bank, the CNV issued General Resolution No. 861 to facilitate the refinancing of debt through the capital markets. In this regard, the CNV provided that whenever the issuer intends to refinance debt through an exchange offer or new issues of debt securities, in both cases in exchange for or to be paid with debt securities previously issued by the company and placed privately and/or with preexisting credits against such company, the requirement of placement through public offering will be regarded as met if the new issue is underwritten in this way by the creditors of the company whose debt securities without public offering and/or preexisting credits represent a percentage that does not exceed thirty percent (30%) of the aggregate amount actually placed, and the remaining percentage is underwritten and paid in cash or in kind by tendering debt securities originally placed through public offering, or other debt securities publicly offered and listed and/or traded on markets authorized by the CNV, issued by the same company, by persons who are domiciled in Argentina or in countries that are not included in the list of non-cooperative jurisdictions for tax purposes, listed in section 24 of the Annex to Decree No. 862/2019 or anyone that may replace it in the future. Additionally, General Resolution No. 861provided for mandatory compliance with certain conditions to consider that the public offering requirement has been met.

Payment of principal and interest on registered debt securities with foreign clearing

On February 4, 2021, the Argentine Central Bank issued Communication "A" 7218, which provides access to the FX Market to Argentine residents for the payment of principal and interest on notes registered with foreign clearing and central securities depository agencies issued as from February 5, 2021, which have been partially settled with foreign currency in Argentina, to the extent that all of the following conditions are met, (i) the borrower provides evidence of exports made prior to the issuance of the notes, or that the proceeds of the issuance of such notes were used for making payments abroad; provided that one of the two (2) conditions is met, access to the FX Market shall not require the prior approval of the Argentine Central Bank; (ii) the average life of the notes shall not be less than five (5) years; (iii) the first payment of principal under the notes shall not occur before three (3) years as from the issue date; (iv) the notes subscribed locally in Argentina and settled locally with foreign currency shall not exceed 25% of the aggregate amount of notes subscribed; and (v) all of the funds of the offering shall be settled through the FX Market prior to the borrower accessing the FX Market for the first time for paying interest and/or principal under the notes.

Prepayment of financing denominated in foreign currency granted by local financial institutions

The Argentine Central Bank's prior approval shall be required to access the FX Market to prepay foreign currency financing granted by local financial institutions, unless they relate to payments of credit card purchases made in foreign currency.

Payment of dividends and corporate profits

In accordance with section 3.4 of the FX Regulations, access is granted to the FX Market to pay dividends to non-resident shareholders, subject to the following conditions:

- Maximum amounts: The total amount of transfers made through the FX Market for payment of dividends to non-resident shareholders may not exceed the 30% of the total value of the capital contributions made in the relevant local company that entered and settled through the FX Market as of January 17, 2020. The total amount paid to non-resident shareholders shall not exceed the corresponding amount denominated in Pesos determined by the shareholders' meeting to be distributed as dividends.
- Minimum Period: Access to the FX Market will only be granted after a period of not less than thirty (30) calendar days has elapsed as from the date of the settlement of the last capital contribution that is taken into account for determining the aforementioned 30% cap.
- Documentation requirements: Dividends must be the result of closed and audited balance sheets. When requesting access to the FX Market for this purpose, evidence of the definitive capitalization of capital contributions must be provided or, if not available, evidence of filing of the process of registration of the capital contribution before the Public Registry shall be provided. In this case, evidence of the definitive capitalization shall be provided within 365 calendar days from the date of the initial filing with the Public Registry. If applicable, the External Assets and Liabilities Reporting Regime shall have been complied with.

Access to the FX Market by other residents -excluding entities- for the formation of external assets and for derivatives transactions

Section 3.10 of the FX Regulations sets forth that access to the FX Market for the build-up of foreign assets and for derivatives transactions by local governments, mutual funds, other universalities established in Argentina, requires prior authorization by the Argentine Central Bank.

Derivatives transactions

Section 4.4 of the FX Regulations requires that derivatives transactions, including payment of premiums, constitution of collateral and settlement of futures, forwards, options and other derivatives, shall, as of September 11, 2019, be made in local currency (i.e., Pesos).

Likewise, access to the FX Market is granted for the payment of premiums and settlements, margins and other collateral in connection with interest rate hedge agreements for foreign debt declared and validated, if applicable, in the External Assets and Liabilities Reporting Regime, as long as such agreements do not cover higher risks than external liabilities of the recorded debtor's interest rate risk being covered.

An entity authorized to operate in the FX Market must be designated by the debtor to track the operation and an affidavit must be provided in which the debtor undertakes to repatriate and settle the funds that are in favor of the local client as a result of such operation, or as a result of the release of the funds of the constituted as collateral, in Pesos within the following five (5) business days.

Additional Requirements Regarding Access to the Exchange Market

On May 28, 2020, the Argentine Central Bank issued Communication "A" 7030 , as amended by Communications "A" 7042, 7052, 7068, 7079, 7094, 7151, 7193 and 7239 ("Communication 7030"), which established additional requirements on outflows made through the FX Market. Below is a brief description of such measures:

(i) Additional requirements on outflows through the FX Market

In the case of certain outflows made through the FX Market (i.e., payments of imports and other purchases of goods abroad; payment of services rendered by non-residents; remittances of profits and dividends; payment of principal of and interest on external indebtedness; payments of interest on debts for the import of goods and services; payments of indebtedness in foreign currency owed by residents made through trusts organized in Argentina to secure the provision of services; payments under foreign currency-denominated debt securities publicly registered in Argentina and liabilities in foreign currency owed by residents; purchases of foreign currency by resident individuals for the purpose of forming external assets, providing family assistance and entering into derivative transactions (other than those made by individuals on account of the formation of external assets), purchase of foreign currency by individuals to be simultaneously used to purchase real estate in Argentina with a mortgage loan; purchase of foreign currency by other residents (excluding financial institutions) to form external assets and in connection with derivative transactions; other purchases of foreign currency by residents for specific uses and under interest rate hedge agreements in connection with liabilities incurred by residents that have been reported and validated under the External Assets and Liabilities Reporting Regime), the financial institution shall obtain the Argentine Central Bank's prior approval before processing the transaction, unless it has obtained an affidavit executed by the legal entity or individual stating that, at the moment of accessing the local exchange market:

a) Holding foreign currency in Argentina and non-holding of available external liquid assets. The customer shall certify that all foreign currency in Argentina is available in accounts with financial institutions and that the customer had no external liquid assets available at the beginning of the day when access to the market was requested in an amount higher than the equivalent to US$100,000.

   Communication 7030 provides a merely illustrative list of liquid external assets including, among others, holdings of foreign currency bills and coins, holdings of coined gold or gold bars for good delivery, demand deposits with financial institutions abroad and other investments that allow for immediate availability of foreign currency including, for example, investments in external government securities, funds held in investment accounts with investment managers abroad, crypto-currency, funds in payment service providers' accounts, etc.

   Available liquid external assets are not understood to include those funds deposited abroad that may not be used by the legal entity or individual as they are reserve or security funds set up in compliance with the requirements under borrowing agreements abroad or funds set up as collateral under derivative transactions consummated abroad.

   If the legal entity or individual had liquid external assets available in an amount higher than the sum specified in the first paragraph, the financial institution may also accept an affidavit provided it is satisfied that such amount shall not be exceeded on the grounds that, either partially or totally, such assets:

   i. were used during such day to make payments that would have required access to the local exchange market;

   ii. were transferred to the legal entity or individual to a correspondent account of a local institution licensed to deal in foreign exchange;

iii. are funds deposited in bank accounts abroad from collections of exports of goods and/or services or advances, pre- or post-export financing of goods by non-residents, or from the disposal of non-financial non-produced assets in respect of which the term of 5 business days after collection has not yet expired; or

iv. are funds deposited in bank accounts abroad from financial indebtedness abroad and the amount thereof does not exceed the equivalent amount payable as principal and interest within the next 120 calendar days.

The affidavit filed by legal entities or individuals shall expressly indicate the value of their liquid external assets available as of the beginning of the day as well as the amounts allocated to each of the situations described in paragraphs i) through iv), as applicable.

b) New inflows and settlement of foreign currency from collections of loans granted to third parties and time deposits or sales of any asset, provided same were purchased and granted after May 28, 2020. Customers' affidavits shall include a commitment to settle in the FX Market, within a term of five business days upon being made available, those funds received from abroad from the collection of loans granted to third parties, the collection of a time deposit or the sale of any asset, provided the asset had been purchased, the time deposit had been made or the loan had been granted after May 28, 2020.

The filing of affidavits shall not be required for outflows through the FX Market in the following cases: (1) the exchange institution's own transactions, acting as customer; (2) payment of financing in foreign currency granted by local financial institutions in connection with purchases in foreign currency using credit or shopping cards; and (3) payments abroad by credit card companies that are not financial institution in connection with the use of credit, shopping, debit or pre-paid cards issued in Argentina.

Additionally, Communication "B" 12082 of the Argentine Central Bank established that, prior to allowing any outflow of funds abroad, financial institutions are required to check the online system implemented by the Argentine Central Bank to verify if the customer that intends to access the FX Market is included in the list of CUITs (Tax Identification Numbers) showing inconsistent foreign exchange transactions.

(ii) Payment of imports of goods by accessing the FX Market until June 30, 2021.

In addition to complying with the filing requirement as set forth in paragraph (i) above, item 2 of Communication 7030 sets forth that, for the purposes of accessing the FX Market to pay imports of goods or the principal amount of debts arising from the import of goods, legal entities and individuals shall obtain the Argentine Central Bank's prior approval, unless any of the following situations occurs:

a) The entity has received an affidavit from the client stating that the total amount of payments associated with its imports of goods processed through the exchange market during 2020, including the payment whose course is being requested, does not exceed in more than US$1,000,000, the amount by which the importer would have access to the exchange market when computing the imports of goods that appear in his name in the system for tracking payments of imports of goods (SEPAIMPO) and that were made between January 1, 2020 and the day prior to accessing the FX Market, plus the amount of payments made under other exceptions, subtracting the amount pending to be entered into Argentina, related to payments of imports with pending customs registration made between September 1, 2019 and December 31, 2019, plus the amount of payments made through the FX Market as of July 6, 2020, corresponding to imports of goods entered by Particular Request or Courier that have been shipped as of July 1, 2020, or which, having been shipped previously, have not arrived in the country before that date.

b) In the case of a deferred payment or at sight payment of imports corresponding to operations that have been shipped as of July 1, 2020 or that, having been shipped previously, did not have arrived in the country before that date.

c) It is a payment associated with an operation not included in section b) above, to the extent that it is destined to the cancellation of a commercial debt for imports of goods with an export credit agency or a foreign financial entity or that was guaranteed by either of such entities.

d) It is a payment made by: i) the public sector, ii) entities in which the Argentine State has a majority participation in the capital stock or in the making of major corporate decisions or iii) trusts constituted with contributions made by the national public sector.

e) It is an imports payment with pending customs entry registration, to be made by an entity in charge of the provision of critical drugs to be entered by private request by the beneficiary.

f) It is an imports payment with pending customs entry registration made for the purchase of COVID-19 detection kits or other products with tariff positions that are included in the list included in Decree No. 333/2020 as amended.

g) The financial entity has received an affidavit from the client stating that, including the advanced import payment which is being requested, plus the amounts included in a), do not exceed US$3,000,000 (three million US dollars) and that these payments are related to imports of products related to the provision of medication or other goods related to medical assistance and/or health care directed to the population or supplies that are necessary for their local preparation.

h) It is an advance payment of imports for the purchase of capital goods. The tariff positions classified as BK (Capital Goods) in the MERCOSUR Common Nomenclature (Decree No. 690/02 and complementary regulations) shall be considered for this purpose. If capital goods and other goods that are not capital goods are paid for in the same advance payment, the payment may be channeled through this item to the extent that the former represent at least 90% of the total value of the goods purchased from the supplier in the transaction and the entity receives a sworn statement from the customer stating that the remaining goods are spare parts, accessories or materials necessary for the operation, construction or installation of the capital goods being purchased. The intervening entity must verify compliance with the remaining requirements established for the transaction by the exchange regulations in force.

Prior to authorizing payments for imports of goods, the intervening financial entity must, in addition to requesting the client's affidavit, verify that such statement is compatible with the existing data in the Argentine Central Bank from the online system implemented for this purpose.

The amount by which importers can access the FX Market under the conditions established within the framework of section 2 of Communication "A" 7030 will be increased by the equivalent of 50% of the amounts that, the importer settles through the FX Market as export advances or pre-financing of exports from abroad with a minimum term of 180 days, as of October 2, 2020.

On March 31, 2021, the Central Bank issued communication "A" 7253, which allows access to the foreign exchange market for the prepayment of imports for the acquisition of capital goods, and increases to 545 calendar days from the date of such access the limit up to which the intervening entity may extend the term for the registration of the customs entry of the goods in the case of prepayment of imports of capital goods.

In the case of transactions settled on or after March 19, 2021, access to the foreign exchange market for the remaining 50% will also be allowed to the extent that the additional portion corresponds to payments of imports of capital goods and/or goods that qualify as inputs for the production of exportable goods. In the latter case, the entity must have receive a statement from the client regarding the type of goods involved and their condition as inputs in the production of goods to be exported.

(iii) Access to the FX Market for payment of imports of goods while submission of import clearance is pending

Pursuant to Communication "A" 7138, to access the FX Market for the payment of imports of goods pending customs clearance, importers are required (in addition to the other requirements in force under the FX Regulations) to file a declaration through the Integral Import Monitoring System (Sistema Integral de Monitoreo de Importaciones or SIMI) showing the "SALIDA" status in connection with the imported goods to the extent that such declaration is required for the registration of the application for import of goods for consumption.

(iv) Access to the FX Market for prepayment of imports

Communication "A" 7138 clarified that, effective as of November 2, 2020, payments for imports of goods pending customs clearance made between September 2, 2019 and October 31, 2019 will be considered in default if they (A) relate to (i) payments on demand upon presentation of shipping documents; (ii) payments of commercial debts abroad; and (iii) payment of commercial guarantees for imports of goods granted by local institutions, and (B) are not regularized, that is, the customer failed to furnish evidence to the institution in charge of monitoring such payment (up to the amount paid) of the existence of (i) import clearance in its name or in the name of a third party; (ii) the settlement on the FX Market of currency associated with the return of the payment made; (iii) other forms of regularization permitted under the FX Regulations; and/or (iv) the Argentine Central Bank's acceptance of the total or partial regularization of the transaction.

Importers will not be allowed access to the FX Market to make new prepayments of imported goods until such defaulted transactions are not regularized.

(v) Payments of principal under debts with related counterparties until June 30, 2021

The Argentine Central Bank's prior approval is required to access the FX Market to make payments abroad of principal of financial debts when the creditor is a counterparty related to the debtor. This requirement is applicable until June 30, 2021, pursuant to Communication "A" 7239. Such requirement shall not apply to the local financial institutions' own transactions.

Item 4 of Communication "A" 7123 of the Argentine Central Bank establishes that, for as long as the requirement to obtain prior approval to access the FX Market to pay, at maturity, principal of foreign financial indebtedness of the non-financial private sector when the creditor is a counterparty related to the debtor continues to be in place, such requirement will not be applicable if the funds have been entered and settle through the FX Market as of October 2, 2020 and the average life of the indebtedness is not less than 2 (two) years.

(vi) Extension of the term for outflows through the FX Market in connection with the sale of securities to be settled in foreign currency or transfers to foreign depositaries

In the case of outflows through the FX Market, including by means of swap or arbitrage transactions, in addition to the requirements that apply to each particular case, financial institutions shall request the filing of an affidavit certifying that:

a) on the day when access to the market is requested and within the prior 90 calendar days no sales of securities have been made via settlement of foreign currency or transfers thereof to foreign depositaries; and

b) the customer filing the affidavit undertakes to refrain from selling securities to be settled in foreign currency or transferring same to foreign depositaries since the day access is requested and during a term of 90 calendar days.

The filing of the affidavit shall not be required in case of outflows through the FX Market in the following circumstances: 1) the financial institution's own transactions, acting as customer; 2) payment of financing in foreign currency granted by local financial institutions, including payments for purchases made in foreign currency using credit or shopping cards; and 3) remittances abroad in the name of individuals who are the recipients of retirement and/or pension benefits paid by ANSES.

Communication "A" 7193

Through Communication "A" 7193, the Argentine Central Bank modified Section 2 of Communication "A" 7030 as amended, that regulated the requirements to access the FX Market for the payment of imports, in accordance with what is already reflected in "—Payment of imports with access to the exchange market until June 30, 2021."

Likewise, Communication "A" 7193 established that financial entities will be required to obtain the prior consent of the Argentine Central Bank to provide their clients with access to the FX Market for payments, with regards to payment operations included in Sections 3.1. to 3.11. and 4.4.2. of FX Regulations (including those that are specified through exchanges or arbitrations), to individuals or entities included by the AFIP in the database of "false" invoices or equivalent documents established by such Agency. This requirement will not be applicable to access the FX Market for the payment of financing in foreign currency granted by local financial entities, including payments in foreign currency made through credit or purchase cards.

Communication "A" 7200

On January 6, 2021, the Central Bank issued Communication "A" 7200, establishing a new "Registry of exchange information of exporters and importers." Exporters and importers who, due to their degree of significance of the volumes they operate, will have to be registered in before April 30, 2021.

Beginning May 1, 2020, any payments done from Argentina through the foreign exchange market, will require the Central Bank's prior authorization if done by obligated entities that appear as "not registered" in the Registry of exchange information of exporters and importers.

Other Specific Provisions

Access to the FX Market for savings or investments purposes of individuals

Pursuant to section 3.8 of the FX Regulations, Argentine residents may access the FX Market for the purposes of external assets' formation, family assistance or derivative operations (with some exceptions expressly set forth) for up to U$S 200 (through debits to local bank accounts) or U$S 100 (in cash) per person per month through all authorized exchange entities. If the access entails a transfer of the funds abroad, the destination account must be an account owned by the same person.

In all cases, the person shall be obligated to submit a sworn statement expressing that the funds shall not be used for the secondary purchase of securities within the following five (5) business days. In addition, if an individual purchases securities through payment in foreign currency, the same must have been held by the client for at least 5 business days since the settlement of the transaction before their subsequent sale or transfer to another depositary. This minimum holding period shall not apply if the sale of the securities is carried out in the same jurisdiction and the settlement of the transactions is made in the same foreign currency.

Effective as of September 16, 2020, the Argentine Central Bank ordered under Communication "A" 7106 that purchases in pesos made abroad with a debit card and amounts in foreign currency acquired by individuals in the FX Market as of September 1, 2020, for the payment of obligations between residents under section 3.6 of the FX Regulations, including payments for credit card purchases in foreign currency, will be deducted, as from the subsequent calendar month, from the US$200 monthly quota. If the amount of such purchases exceeds the quota available for the following month or such quota has been already absorbed by other purchases made since September 1, 2020, such deduction will be made from the quotas of the following months until completing the amount of those purchases.

In addition, pursuant to Communication "A" 7106 and effective as of September 16, 2020, in order to allow access to the FX Market for the formation of external assets, the relevant institution must be provided with a customer's affidavit whereby the customer undertakes not to enter into securities transactions in Argentina to be settled in foreign currency as from the time the customer requests access to the FX Market and for 90 calendar days thereafter.

The relevant institution shall check the online system implemented by the Argentine Central Bank to verify whether the person has not reached the limits set for the applicable calendar month or has not exceeded them in the previous calendar month and is thus entitled to enter into the foreign exchange transaction, and shall request the customer to provide an affidavit stating that such person is not a beneficiary of any "Zero Interest-Rate Loans" contemplated in section 9 of Decree No. 332/2020, as amended, "Subsidized Loans for Companies" and/or "Zero Interest-Rate Loans for Independent Workers Engaged in Cultural Activities."

In addition, for the purpose of entering into derivative transactions relating to the payment of premiums, creation of guarantees and payments of futures, forwards, options and other derivatives, to the extent they imply a payment in foreign currency, individuals shall be required to obtain the Argentine Central Bank's prior approval.

Access to the local exchange market is also allowed for the payment of premiums, creation of guarantees and payment of interest rate hedge agreements under obligations by residents vis-à-vis foreign creditors that are reported and validated, as applicable, under the External Assets and Liabilities Reporting Regime, provided that it does not cover risks higher than the external liabilities actually incurred by the debtor at the interest rate of the risk being hedged through such transaction. The customer who accesses the local market using this mechanism shall designate an institution authorized to deal in the FX Market which shall follow up the transaction and shall sign an affidavit committing to enter and settle the funds payable to the local customer as a result of such transaction or as a result of the release of the collateral money, within 5 business days following the date such payment or release.

Moreover, any persons who received loans denominated in pesos directed to SMEs listed in items 2 and 3 of Communication "A" 7006 of the Argentine Central Bank shall request the Argentine Central Bank's previous authorization to access the FX Market to enter into transactions for the purpose of forming external assets, providing family assistance and entering into derivative transactions or selling securities to be settled in foreign currency or transferring such securities to other depositaries. The applicable institution shall request customers willing to access the FX Market to provide evidence of the referred authorization from the Argentine Central Bank or an affidavit to the effect that they are not beneficiaries of any financing listed in items 2 or 3 of Communication "A" 7006 of the Argentine Central Bank.

The Argentine Central Bank has also established that individuals benefitting from the provisions of item 4 of Communication "A" 6949, as supplemented, and section 2 of Decree No. 319/20 may not, until repaying in full the financed amount or while the benefit regarding the adjustment of the value of the installment continues, as applicable, (i) access the FX Market for the purpose of forming external assets, providing family assistance and entering into derivative transactions; and (ii) arrange for the sale in Argentina of securities with settlement in foreign currency or transfer them to foreign depositaries

Access to the FX Market by non-residents

In accordance with section 3.12 the FX Regulations, prior approval by the Argentine Central Bank will be required for access to the FX Market by non-residents for the purchase of foreign currency, except for the following operations: (a) international organizations and institutions that perform functions of official export credit agencies, (b) diplomatic representations and consular and diplomatic personnel accredited in the country for transfers made in the exercise of their functions, (c) representatives of courts, authorities or offices, special missions, commissions or bilateral bodies established by Treaties or International Agreements, in which the Argentine Republic is part, to the extent that transfers are made in the exercise of their functions, (d) foreign transfers in the name of individuals who are beneficiaries of retirement and/or pensions paid by the ANSES, for up to the amount paid by said agency in the calendar month and to the extent that the transfer is made to a bank account owned by the beneficiary in its registered country of residence, (e) purchase of foreign currency (in cash) by non-resident individuals for tourism and travel expenses, up to a maximum amount of U$S100 dollars, to the extent the financial entity can verify that the client has settled an amount equal or higher than the sum to be purchased within 90 days prior to the operation; and (f) transfers to offshore bank accounts by individuals that are beneficiaries of pensions granted by the National Government pursuant to Laws Nos. 24,043, 24,411 and 25,914, as supplemented.

Swap, arbitrage and securities transactions

Financial institutions may carry out currency swap and arbitrage transactions with their customers in the following cases:

(i) inflows of foreign currency from abroad, to the extent that they do not relate to transactions subject to the obligation to settle them in the FX Market. Financial institutions shall allow inflows of foreign currency from abroad to be credited into the accounts opened by the customer in foreign currency in connection with these transactions;

(ii) transfer of foreign currency abroad by individuals from their local accounts denominated in foreign currency to bank accounts held by such individuals abroad. Financial institutions shall require an affidavit from the customer stating that the customer has not sold any securities to be settled in foreign currency in the local market within the past 5 business days;

(iii) transfer of foreign currency abroad by local common depositaries of securities in connection with proceeds received in foreign currency on account of services of principal and interest on Argentine Treasury bonds, when such transaction forms part of the payment procedure at the request of the foreign common depositaries;

(iv) arbitrage transactions not originated in transfers from abroad may be made without any restrictions, to the extent that the funds are debited from an account in foreign currency held by the customer with a local financial institution. To the extent that the funds are not debited from an account denominated in foreign currency held by the customer, these transactions may be made by individuals, without the Argentine Central Bank's prior approval, up to the amount allowed for the use of cash under items 3.8. and 3.12 of the FX Regulations;

(v) transfers of foreign currency abroad made by individuals from their local accounts denominated in foreign currency to offshore collection accounts up to an amount equivalent to US$500 in any calendar month, provided that the individual provides an affidavit stating that the transfer is made to assist in the maintenance of Argentine residents who were forced to remain abroad in compliance with the measures adopted in response to the COVID-19 pandemic; and

(vi) all other swap and arbitrage transactions may be made by customers without the Argentine Central Bank's prior approval to the extent that they would be allowed without need of such approval in accordance with other exchange regulations. This also applies to local common depositaries of securities with respect to the proceeds received in foreign currency as payments of principal of and interest on foreign currency securities paid in Argentina.

If the transfer is made in the same currency as that in which the account is denominated, the financial institution shall credit or debit the same amount as that received from or sent abroad. When the financial institution charges a commission or fee for these transactions, it shall be instrumented under a specifically designated item.

In addition, any person who has outstanding facilities in pesos under the scope of Communications "A" 6937, "A" 6993, "A" 7006, "A" 7082 of the Argentine Central Bank, as supplemented (i.e., credit facilities at subsidized interest rates) will be prevented from selling securities to be settled in foreign currency or transferring such securities to foreign depositaries, until such facilities have been fully repaid.

Use of export proceeds for the payment of new issuances of debt securities

Pursuant to Communication "A" 7196, as of January 7, 2021, proceeds in foreign currency from exports of goods and services may be used for the payment of principal and interest under new duly registered issuances of debt securities, to the extent that:

- such issuance corresponds to (i) an exchange of debt securities, or (ii) the refinancing of foreign financial indebtedness, concerning scheduled principal repayments maturing between March 31, 2021, and December 31, 2022; and
- considering the transaction as a whole, the average life of new indebtedness is at least 18 months longer than the principal and interest payments being refinanced which should occur before December 31, 2022.

Use of export proceeds for the payment of debts denominated in foreign currency

Communication "A" 7138 provides for cases in which proceeds in foreign currency from exports of goods and services may be used for the payment of certain debts denominated in foreign currency, indicating that, if the conditions set forth in item 1 of Communication "A" 7123 (relating to use of proceeds, the timing of entry and settlement of funds on the FX Market and the monitoring of the transaction by a local financial institution) are met, proceeds in foreign currency from exports of goods and services may be used for:

1. payments of principal and interest of financial debts abroad with an average life (considering services of both principal and interest) of not less than one year.
2. the repatriation of non-residents' direct investments in companies that do not control local financial institutions, provided that such repatriation occurs after the date of completion and implementation of the investment project and at least one year after the inflow of the capital contribution through the FX Market.

In addition, Communication "A" 7138 provided for new transactions that may be paid out of foreign currency export proceeds:

a) new issuances of debt securities publicly registered in Argentina as of November 11, 2019 and denominated in foreign currency for which principal and interest are payable in Argentina in foreign currency (to the extent the proceeds have been obtained through the FX Market), with an average life of not less than one year considering maturities of both principal and interest,

b) new indebtedness or direct investment capital contributions, the proceeds of which have entered and settled, and have allowed to reach the parameters provided in the Refinancing Plan under item 7 of Communication "A" 7106;

c) new issuances of debt securities publicly registered in Argentina or abroad issued after October 9, 2020, with an average life of not less than two years, the delivery of which allowed the issuer to reach the parameters provided in its Refinancing Plan.

Export proceeds to guarantee new indebtedness

Communication "A" 7196 allows for proceeds from exports of goods and services held in local or foreign financial institutions to guarantee payment of new indebtedness entered into pursuant to Communication "A" 7123 and has complied with the mandatory repatriation and settlement obligation, as from January 7, 2021. Funds in these accounts shall not exceed at any time 125% of the principal and interest to be paid in the current month and the following six calendar months, in accordance with the scheduled of payments as agreed upon with the creditors. Funds exceeding such amount must be repatriated and settled through the FX Market subject to the applicable foreign exchange rules.

In the event the financial agreement entered into requires the funds to be deposited for a period exceeding that which has been established for its mandatory settlement, the exporter may request this latter period be extended up until five business day after the former.

Access to the FX Market for the constitution of guarantees

Residents may access the FX Market for the constitution of guarantees in connection to new indebtedness entered into as of January 7, 2021, pursuant to the Communication "A" 7123 refinancing scheme, or in connection to local trusts created to guarantee principal and interest payments of such new indebtedness. Such guarantees are to be held in local financial institutions or, in the event of foreign indebtedness, in foreign financial institutions, in an amount equal to that established in the agreement, pursuant to the following conditions:

i. concurrently to such access, foreign currency-denominated funds are being repatriated and settled through the FX Market and/or funds credited to the correspondent account of a local financial institutions, and

ii. the guarantees shall not exceed at any time 125% of the principal and interest to be paid in the current month and the following six calendar months, in accordance with the scheduled of payments as agreed upon with the creditors.

Funds which are not applied to the payment of principal and interest or the conservation guarantee detailed herein must be settled through the FX Market within five business days from its maturity date.

Access to the FX Market for the payment of new issuances of debt securities

New duly registered issuances of foreign-denominated debt securities, issued as of January 7, 2021, intended to refinance pre-existing debt, when seeking access to the FX Market for the payment of principal and interest under such new indebtedness, shall be considered to have complied with the obligation to mandatory settle through foreign currency for an amount equivalent to the refinanced principal, the interest accrued up to the date the refinancing was settled and, to the extent that the new debt securities do not schedule principal maturities before 2023, the interest that would accrue until December 31, 2022 by the indebtedness which is refinanced in advance and/or by the deferment of the refinanced principal and/or by the interest which would accrue on the amounts so refinanced.

Special regime for financings under Plan Gas IV

On November 19, 2020, the Argentine Central Bank issued Communication "A" 7168 which provided for specific regulations applicable to transactions entered and settled through the FX Market as of November 16, 2020 intended for the financing of projects falling within the scope of the Plan Gas IV. In particular, Communication "A" 7168 provides that:

1) Institutions may grant access to the FX Market to remit funds abroad in the nature of dividends and profits to non-resident shareholders without the prior consent of the Argentine Central Bank provided the following conditions are met:

(i) the dividends and profits arise from audited and closed financial statements;

(ii) the total amount to be paid as dividends and profits to non-resident shareholders, including the payment then requested to be processed, does not exceed the amount in local currency payable to them as per the distribution approved by the shareholders' meeting;

(iii) access occurs not earlier than two calendar years from the date of the settlement in the FX Market of the transaction that qualifies for inclusion in this point; and

(iv) the transaction is disclosed, if applicable, in the last filing due under the External Assets and Liabilities Reporting Regime.

2) Institutions may grant access to the FX Market, without the prior consent of the Argentine Central Bank, for the payment at maturity of principal and interest services on foreign indebtedness provided that such indebtedness has an average life of not less than two years and the remaining requirements for principal and interest payments on foreign financial indebtedness under the FX Regulations are met.

3) Entities may grant access to the FX Market, without the prior consent of the Argentine Central Bank, for the repatriation of direct investments made by non-residents up to the amount of direct investment contributions settled on the FX Market as of November 16, 2020 as long as all of the following conditions are met:

(i) the institution has documentation that proves the effective inflow of the direct investment in the resident company;

(ii) access occurs not earlier than two years from the date of settlement on the FX Market of the transaction that qualifies for inclusion in this point;

(iii) in case of a capital reduction and/or return of irrevocable contributions made by the local company, the institution has documentation that proves that the relevant legal mechanisms have been complied with and has verified that the external liability in pesos generated as from the date of the non-acceptance of the irrevocable contribution or the capital reduction, as applicable, has been disclosed in the last filing due under the External Assets and Liabilities Reporting Regime.

In all cases, the institution shall have documentation that allows it to verify the genuineness of the transaction to be processed, that the funds were used to finance projects falling under the scope of such plan and the fulfilment of the other requirements set forth in the FX Regulations.

Local collections for exports of on-board supplies to foreign flagged means of transport (regimen de ranchos)

On February 5, 2021, the Argentine Central Bank issued Communication "A" 7217, which provides that, regarding local collections for exports of on-board (regimen de ranchos) supplies to foreign flagged means of transport, it shall be considered that the follow-up of the shipment permit is totally or partially complied with, for an amount equivalent to the amount paid locally in Pesos and/or in foreign currency to the exporter by a local agent that owns the foreign flagged means of transport, as long as the following conditions are met:

A) The documentation allows to verify that the delivery of the exported merchandise has taken place in the country, that the local agent of the company that owns the foreign flagged means of transport made the payment to the exporter locally and in which currency the payment was made.

B) An entity shall issue a certification stating that the company that owns the foreign flagged means of transport would have had access to the FX Market pursuant to Section 3.2.2. of the FX Regulations for the equivalent amount in foreign currency which is intended to be computed to the shipment permit.

The entity which states the precedent shall previously verify compliance with all the other requirements stablished in Section 3.2.2. of the FX Regulations except for provisions of Section 3.13. and the local agent of the company that owns the foreign flagged means of transport shall have filed an affidavit stating that it has not transferred or will transfer funds abroad for the proportional amount of the operations included in the certification.

C) In the event that the funds have been received in the country in foreign currency, a certification that the settlement of the funds through the FX Market has been made is needed.

The local agent of the company that owns the foreign flagged means of transport shall not have used this mechanism for an amount greater than US$250,000 in the calendar month.

Special regime under the Investment Promotion Regime for Exports set forth by Decree No. 234/21

On April 8, 2021, the Central Bank issued Communication "A" 7259, which provides that proceeds from exports of goods under the investment Promotion Regime for exports set forth by Decree No. 234/21 might be applied, in the terms set forth by the enforcement authority, to the following transactions:

a) Payment of principal and interests of debts arising from import the of goods and services as from the maturity date;

b) Payment of principal and interests of debts connected to foreign financial debts as from the maturity date;

c) Payment of profits and dividends corresponding to closed and audited balance sheets; and

d) Repatriation of direct investments by non-residents in companies that are not controllers of local financial entities.

Such applications shall be admitted to the extent that the following conditions are met:

1. The amount applied does not exceed 20% of the amount in foreign currency corresponding to the permit of export whose charges are applied.

2. The amount does not exceed 25% of the gross amount of foreign currency settled for financing the project that generated the applied exports.

The gross amount of the foreign currency settled entered will arise from the accumulated amount of the settlements carried out in the FX Market as of April 7, 2021 as foreign financial debts and direct foreign investment. The settlements may be computed no earlier than a calendar year from the date of the settlement through the FX Market.

3. Exporters who opt for this mechanism must designate a entity local financial institution to monitor the project included in the Promotion Regime.

Argentine Central Bank's Reporting Systems

Advance information on foreign exchange transactions

The institutions authorized to deal in foreign exchange shall provide the Argentine Central Bank, at the end of each business day and two business days in advance, with information on transactions relative to outflows through the FX Market in daily amounts equal to or higher than the equivalent of US$50,000 (fifty thousand U.S. Dollars).

Customers of licensed institutions shall provide such institutions with information sufficiently in advance so that they may comply with the requirements under this reporting regime and, accordingly, to the extent any further requirements set forth in the exchange regulations are simultaneously satisfied, they may process the exchange transactions.

Other foreign exchange regulations

Pursuant to General Resolution No. 836/20, the CNV provided that mutual investment funds in pesos shall invest at least 75% of their assets in financial instruments and marketable securities issued in Argentina exclusively in local currency. General Resolution No. 838/20 clarified that such requirement is not applicable to investments in assets issued or denominated in foreign currency that are made and paid in pesos and the interest and principal amounts whereof are exclusively paid in pesos.

Under Interpretation Criterion No. 17 (referring to General Resolution No. 836/2020), the CNV established that new investments in assets issued in foreign currency may be made only if the aggregate of the assets listed in section 78, Article XV, Chapter III, Title XVIII of the CNV Rules plus the rest of the assets issued in a currency other than pesos does not exceed 25% of the assets of the relevant mutual investment fund.

Pursuant to General Resolution No. 878/2020, sales transactions of securities to be settled in foreign currency and in a foreign jurisdiction will be carried out provided that a minimum holding period of three business days is observed to be counted as from the date such securities are credited with the relevant depositary. As regards to sales of securities to be settled in foreign currency and in a local jurisdiction, the minimum holding period will be two business days to be counted as from the date such securities are credited with the relevant depositary. These minimum holding periods shall not be applicable in the case of purchases of securities to be settled in foreign currency.

In addition, transfers of securities acquired from foreign depositaries to be settled in pesos will be processed subject to a minimum holding period of three business days counted as from the crediting thereof with the depositary, unless such crediting results from a primary placement of securities issued by the National Treasury or refers to shares and/or Argentine deposit certificates (CEDEARs) traded on markets regulated by the CNV. Settlement and clearing agents and trading agents must verify compliance with the aforementioned minimum holding period of the securities.

As regards incoming transfers, General Resolution No. 878/2020 provided that securities transferred by foreign depositaries and credited with a central depositary may not be allocated to the settlement of transactions in foreign currency and in a foreign jurisdiction until three business days after such crediting into sub-account/s in the local custodian. If such securities are allocated to the settlement of transactions in foreign currency and in local jurisdiction, the minimum holding period will be two business days after such crediting into sub-account/s in the local custodian.

In addition, in the price-time priority order matching segment, transactions for the purchase and sale of fixed-income securities denominated and payable in US dollars issued by Argentina under local laws by sub-accounts subject to section 6 of the FX Regulations and that are also regarded as qualified investors, the following requirements must be observed:

(i) for the aggregate of such securities, the nominal amount of securities purchased and to be settled in pesos may not exceed the nominal amount of securities sold and to be settled in pesos, on the same trading day and for each customer sub-account;

(ii) for the aggregate of such securities, the nominal amount of securities sold and to be settled in foreign currency and in local jurisdiction may not exceed the nominal amount of securities bought and to be settled in such currency and jurisdiction, on the same trading day and for each customer sub-account; and

(iii) for the aggregate of such securities, the nominal amount of securities sold and to be settled in foreign currency and in a foreign jurisdiction may not exceed the nominal amount of securities bought and to be settled in such currency and jurisdiction, on the same trading day and for each sub-account.

Foreign Exchange Criminal Regime

Any operation that does not comply with the provisions of the foreign exchange regulations is reached by the Foreign Exchange Criminal Regime.

For more information regarding Argentina's foreign exchange policies, you should seek advice from your legal counsel and read the applicable rules mentioned herein, including their amendments, which can be found at the following websites: www.infoleg.gov.ar and the BCRA's website: www.bcra.gov.ar. The information contained on these websites is not part and shall not be deemed incorporated into, this annual report. Also see "Item 3—Key Information—Risk Factors."

TAXATION

Mexican Tax Considerations

General

The following summary of the Mexican federal income tax consequences of the purchase, ownership and disposition of our series A shares or ADSs, is based upon the federal tax laws of Mexico as in effect on the date of this annual report, which are subject to change. Mexico has also entered into and is negotiating several tax treaties with other countries, that may have an impact on the tax treatment of the purchase, ownership and disposition of our series A shares or ADSs.

This summary is not a comprehensive discussion of all the tax considerations that may be relevant to a particular investor's decision to purchase, hold, or dispose of series A shares or ADSs. In particular, this summary is directed only to Non-Mexican Holders that acquired our series A shares or ADS in this offering and does not address tax consequences to Holders that are regarded as residents of Mexico for tax purposes, Holders who may be subject to special tax rules, such as tax exempt entities, entities or arrangements that are treated as disregarded for Mexican or other jurisdictions' income tax purposes, persons or related persons under the Mexican Securities Market Law that own or are treated as owning, either, 10% or more of our stock by vote or value, or the control of our Company, or persons owning our shares before they were originally registered in the RNV maintained by the CNBV. Moreover, this summary does not address the applicable tax treatment in Mexico for transactions not conducted through an authorized Mexican or international recognized stock markets, nor through registered or protected transactions.

For purposes of this summary, an "International Holder" is the holder of our series A shares or ADSs that is not regarded as resident of Mexico under current domestic tax laws.

You should consult your own tax advisors about the consequences of the acquisition, ownership, and disposition of the series A shares or ADSs, including the relevance to your particular situation of the considerations discussed below and any consequences arising under foreign, state, local or other tax laws.

This description assumes that you are an ADS holder. If you hold the ADSs indirectly, you must rely on the procedures of your broker or other financial institution to assert the rights of ADS holders described in this section. You should consult with your broker or financial institution to find out about those procedures.

ADSs

In accordance with provisions of the current Tax Miscellaneous Resolution ADSs would be regarded as securities that exclusively represent our series A shares which are registered in the RNV maintained by the CNBV; therefore, should be treated as placed among the investing public at large ("*colocadas entre el gran público inversionista*").

Taxation of Dividends

Gross amount of any distribution of cash or property with respect to our series A shares or ADSs that is paid out of our current or accumulated earnings and profits are subject to a 10% withholding income tax which would be withheld by the Mexican custodian in INDEVAL. Withholding tax would be computed on the peso denominated amount distributed as dividend.

Mexican custodians in INDEVAL are obliged to issue tax receipts for taxes withheld on dividend distributions which will be issued under the name of the depositary in case of ADSs or brokers where International Holders maintain their global accounts to hold our series A shares.

The 10% withholding tax rate may be reduced under certain tax treaties entered by Mexico with other countries, if formal requirements are complied with and disclosure is made to the Mexican custodian by the depositary or the broker with respect to the effective beneficiary of the dividend income. A 5% withholding tax rate may apply for International Holders that are U.S. companies that are resident for tax purposes in the U.S. and that are entitled to access U.S.-Mexico Tax Treaty benefits, to the extent such International Holders own 10% or more of the voting shares of the Company.

Taxation of Dispositions of Series A Shares or ADSs

The sale or the disposition of series A shares carried out through a Mexican authorized stock exchange market (eg. *Bolsa Mexicana de Valores* or *Bolsa Institucional de Valores*) is exempt from Mexican income tax, as long as the International Holder furnishes an affidavit to its Mexican financial intermediary, stating, under oath, that it is a resident for tax purposes in a country with which Mexico has an income tax treaty in force and provides its tax identification number; otherwise, the Mexican financial intermediary will withhold 10% tax on the capital gain derived from the transaction.

The sale or disposition of ADSs will not be subject to Mexican income tax if the transaction is carried out through NYSE or other recognized markets as defined in the Mexican Federal Tax Code.

Deposits and withdrawals of series A shares by International Holders in exchange for ADSs and the surrender of ADRs to the depositary for exchanging ADRs for uncertificated ADSs will not result in the realization of gain or loss for Mexican income tax purposes.

In the event that the sale or the disposition of series A shares were to be carried out other than through a Mexican authorized stock exchange market (eg. *Bolsa Mexicana de Valores* or *Bolsa Institucional de Valores*) such disposition would be subject to a 25% Mexican income tax on the gross proceeds derived from the transaction which should be directly paid by the International Holder before the Mexican tax authorities within the subsequent 15-business days after the transaction is conducted. Alternatively, if formal requirements are complied with, International Holders could elect to compute its tax liability with the 35% income tax on the capital gain. International Holders that are residents of countries with which Mexico has a tax treaty in force may be entitled to benefits that would reduce or eliminate Mexican taxes imposed on the sale or disposition of series A shares if formal requirements are complied with.

Value Added Tax

Dividend distributions, the purchase and the sale or disposition of the series A shares or ADSs are exempt of Value Added Tax.

Other Mexican Taxes

There are currently no Mexican estate, gift, stamp, registration or similar taxes payable with respect to the purchase, ownership or disposition of common shares or ADSs. The inheritance of our series A shares or ADSs received by a non-Mexican resident would be subject to income tax at the rate of 25% on the fair-market-value of the series A shares or ADSs inherited.

United States Federal Income Tax Considerations

The following is a summary of material U.S. federal income tax considerations that are likely to be relevant to the purchase, ownership and disposition of our series A shares or ADSs by a U.S. Holder (as defined below).

This summary is based on provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations, rulings and judicial interpretations thereof, in force as of the date hereof, and the Convention Between the Government of the United States of America and the Government of the United Mexican States for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income dated September 18, 1992 (as amended by any subsequent protocols) (the "U.S.-Mexico Tax Treaty"). Those authorities may be changed at any time, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those summarized below.

This summary is not a comprehensive discussion of all of the tax considerations that may be relevant to a particular investor's decision to purchase, hold, or dispose of series A shares or ADSs. In particular, this summary is directed only to U.S. Holders that hold series A shares or ADSs as capital assets and does not address tax consequences to U.S. Holders who may be subject to special tax rules, such as banks, brokers or dealers in securities or currencies, traders in securities electing to mark to market, financial institutions, life insurance companies, tax exempt entities, entities or arrangements that are treated as partnerships for U.S. federal income tax purposes (or

partners therein), holders that own or are treated as owning 10% or more of our stock by vote or value, persons holding series A shares or ADSs as part of a hedging or conversion transaction or a straddle, or persons whose functional currency is not the U.S. Dollar. Moreover, this summary does not address state, local or foreign taxes, the U.S. federal estate and gift taxes, or the Medicare contribution tax applicable to net investment income of certain non-corporate U.S. Holders, or alternative minimum tax consequences of acquiring, holding or disposing of series A shares or ADSs.

For purposes of this summary, a "U.S. Holder" is a beneficial owner of series A shares or ADSs that is (1) (a) a citizen or resident of the United States, (b) a U.S. domestic corporation or (c) otherwise subject to U.S. federal income taxation on a net income basis in respect of such series A shares or ADSs and (2) fully eligible for benefits under the U.S.-Mexico Tax Treaty.

You should consult your own tax advisors about the consequences of the acquisition, ownership, and disposition of the series A shares or ADSs, including the relevance to your particular situation of the considerations discussed below and any consequences arising under foreign, state, local or other tax laws.

ADSs

In general, if you are a U.S. Holder of ADSs, you will be treated, for U.S. federal income tax purposes, as the beneficial owner of the underlying series A shares that are represented by those ADSs.

Taxation of Dividends

Subject to the discussion below under "—Passive Foreign Investment Company Status," the gross amount of any distribution of cash or property with respect to our series A shares or ADSs (including any amount withheld in respect of Mexican withholding taxes) that is paid out of our current or accumulated earnings and profits (as determined for United States federal income tax purposes) will generally be includible in your taxable income as ordinary dividend income on the day on which you receive the dividend, in the case of series A shares, or the date the depositary receives the dividends, in the case of ADSs, and will not be eligible for the dividends-received deduction allowed to corporations under the Code.

We do not expect to maintain calculations of our earnings and profits in accordance with U.S. federal income tax principles. U.S. Holders therefore should expect that distributions generally will be treated as dividends for U.S. federal income tax purposes.

If you are a U.S. Holder, dividends paid in a currency other than U.S. Dollars generally will be includible in your income in a U.S. Dollar amount calculated by reference to the exchange rate in effect on the day you receive the dividends, in the case of series A shares, or the date the depositary receives the dividends, in the case of series A shares represented by ADSs. Any gain or loss on a subsequent sale, conversion or other disposition of such non-U.S. currency by such U.S. Holder generally will be treated as ordinary income or loss and generally will be income or loss from sources within the United States. A U.S. Holder should consult its own tax advisors regarding the treatment of any foreign currency gain or loss realized with respect to any currency received as a dividend on the series A shares.

Subject to certain exceptions for short-term positions, the U.S. Dollar amount of dividends received by an individual with respect to the series A shares or ADSs will be subject to taxation at a preferential rate if the dividends are "qualified dividends." Dividends paid on the series A shares or ADSs will be treated as qualified dividends if:

- the series A shares or ADSs are readily tradable on an established securities market in the United States or we are eligible for the benefits of a comprehensive tax treaty with the United States that the U.S. Treasury determines is satisfactory for purposes of this provision and that includes an exchange of information program; and
- we were not, in the year prior to the year in which the dividend was paid, and are not, in the year in which the dividend is paid, a passive foreign investment company (a "PFIC").

The ADSs are listed on the NYSE, and will qualify as readily tradable on an established securities market in the United States so long as they are so listed. In addition, the U.S. Treasury has determined that the U.S.-Mexico Tax Treaty meets the requirements for reduced rates of taxation, and we believe we are eligible for the benefits of the U.S.-Mexico Tax Treaty. Based on our financial statements and relevant market and shareholder data, we believe that we were not treated as a PFIC for U.S. federal income tax purposes with respect to our 2019 or 2020 taxable years. In addition, based on our audited financial statements and our current expectations regarding the value and nature of our assets, the sources and nature of our income, and relevant market and shareholder data, we do not anticipate becoming a PFIC for our current taxable year or in the foreseeable future. Holders should consult their own tax advisers regarding the availability of the reduced dividend tax rate in light of their own particular circumstances.

Dividend distributions with respect to our series A shares or ADSs generally will be treated as "passive category" income from sources outside the United States for purposes of determining a U.S. Holder's U.S. foreign tax credit limitation. Subject to the limitations and conditions provided in the Code and the applicable U.S. Treasury Regulations, a U.S. Holder may be able to claim a foreign tax credit against its U.S. federal income tax liability in respect of any Mexican income taxes withheld at the appropriate rate applicable to the U.S. Holder from a dividend paid to such U.S. Holder. Alternatively, the U.S. Holder may deduct such Mexican income taxes from its U.S. federal taxable income, provided that the U.S. Holder elects to deduct rather than credit all foreign income taxes for the relevant taxable year. The rules with respect to foreign tax credits are complex and involve the application of rules that depend on a U.S. Holder's particular circumstances. Accordingly, U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

U.S. Holders that receive distributions of additional series A shares or ADSs or rights to subscribe for series A shares or ADSs as part of a pro rata distribution to all our shareholders generally will not be subject to U.S. federal income tax in respect of the distributions, unless the U.S. Holder has the right to receive cash or property, in which case the U.S. Holder will be treated as if it received cash equal to the fair market value of the distribution.

Taxation of Dispositions of Series A Shares or ADSs

Subject to the discussion below under "—Passive Foreign Investment Company Status," upon a sale, exchange or other disposition of the series A shares or ADSs, U.S. holders will realize capital gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the U.S. Dollar value of the amount realized on the disposition and the U.S. holder's tax basis, determined in U.S. Dollars, in the series A shares or ADSs. Such gain or loss generally will be long-term capital gain or loss if the ADS or series A shares have been held for more than one year. Long-term capital gain realized by a U.S. Holder that is an individual generally is subject to taxation at a preferential rate. The deductibility of capital losses is subject to limitations.

Gain, if any, realized by a U.S. Holder on the sale or other disposition of the series A shares or ADSs generally will be treated as U.S. source income for U.S. foreign tax credit purposes. Consequently, if a Mexican or Argentine tax is imposed on the sale or disposition of the shares, a U.S. Holder that does not receive significant foreign source income from other sources may not be able to derive effective U.S. foreign tax credit benefits in respect of such Mexican or Argentine taxes. U.S. Holders should consult their own tax advisors regarding the creditability of any such Mexican or Argentine tax and, more generally, the application of the foreign tax credit rules to their investment in, and disposition of, the series A shares or ADSs.

If a U.S. Holder sells or otherwise disposes of our series A shares or ADSs in exchange for currency other than U.S. Dollars, the amount realized generally will be the U.S. Dollar value of the currency received at the spot rate on the date of sale or other disposition (or, if the shares are traded on an established securities market at such time, in the case of cash basis and electing accrual basis U.S. holders, the settlement date). An accrual basis U.S. Holder that does not elect to determine the amount realized using the spot exchange rate on the settlement date will recognize foreign currency gain or loss equal to the difference between the U.S. Dollar value of the amount received based on the spot exchange rates in effect on the date of the sale or other disposition and the settlement date. A U.S. Holder will generally have a tax basis in the currency received equal to the U.S. Dollar value of the currency received at the spot rate on the settlement date. Any currency gain or loss realized on the settlement date or the subsequent sale, conversion, or other disposition of the non-U.S. currency received for a different U.S. Dollar amount generally will be U.S.-source ordinary income or loss, and will not be eligible for the reduced tax rate applicable to long-term capital gains. If an accrual basis U.S. Holder makes the election described in the first sentence of this paragraph, it must be applied consistently from year to year and cannot be revoked without the consent of the IRS. A U.S. Holder should consult its own tax advisors regarding the treatment of any foreign currency gain or loss realized with respect to any currency received in a sale or other disposition of the series A shares or ADSs.

Deposits and withdrawals of series A shares by U.S. Holders in exchange for ADSs will not result in the realization of gain or loss for U.S. federal income tax purposes.

Passive Foreign Investment Company Status

Special U.S. tax rules apply to companies that are considered to be PFICs. We will be classified as a PFIC in a particular taxable year if, taking into account our proportionate share of the income and assets of our subsidiaries under applicable "look-through" rules, either

- 75 percent or more of our gross income for the taxable year is passive income; or
- the average percentage of the value of our assets that produce or are held for the production of passive income is at least 50 percent.

For this purpose, passive income generally includes dividends, interest, gains from certain commodities transactions, rents, royalties and the excess of gains over losses from the disposition of assets that produce passive income.

Although we do not believe that we were a PFIC in our 2020 taxable year and, based on our audited financial statements and our current expectations regarding the value and nature of our assets, the sources and nature of our revenue, and relevant market and shareholder data, do not anticipate becoming a PFIC in the foreseeable future, the determination whether we are a PFIC must be made annually based on the facts and circumstances at that time, some of which may be beyond our control, such as the valuation of our assets, including goodwill and other intangible assets, at the time. Accordingly, we cannot be certain that we will not be a PFIC in the current year or in future years. If we are classified as a PFIC, you will generally be subject to a special tax at ordinary income tax rates on "excess distributions" (generally, any distributions that you receive in a taxable year that are greater than 125 percent of the average annual distributions that you have received in the preceding three taxable years, or your holding period, if shorter), and gains that you recognize on the disposition of your series A shares or ADSs. Under these rules (a) the excess distributions or gains will be allocated ratably over your holding period, (b) the amount allocated to the current taxable year and any taxable year prior to the first taxable year in which we are a PFIC will be taxed as ordinary income, and (c) the amount allocated to each of the other taxable years will be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year, and an interest charge for the deemed deferral benefit will be imposed with respect to the resulting tax attributable to each such other taxable year. Classification as a PFIC may also have other adverse tax consequences, including, in the case of individuals, the denial of a step-up in the basis of your series A shares or ADSs at death.

If you are a U.S. Holder that owns an equity interest in a PFIC, you generally must annually file IRS Form 8621, and may be required to file other IRS forms. A failure to file one or more of these forms as required may toll the running of the statute of limitations in respect of each of your taxable years for which such form is required to be filed. As a result, the taxable years with respect to which you fail to file the form may remain open to assessment by the IRS indefinitely, until the form is filed.

You should consult your own tax advisor regarding the U.S. federal income tax considerations discussed above and the consequences to you if we are treated as a PFIC.

Foreign Financial Asset Reporting.

Certain U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of US$50,000 on the last day of the taxable year or $575,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer that are not held in accounts maintained by financial institutions. The understatement of income attributable to "specified foreign financial assets" in excess of US$5,000 extends the statute of limitations with respect to the tax return to six years after the return was filed. U.S. Holders who fail to report the required information could be subject to substantial penalties. Prospective investors are encouraged to consult with their own tax advisors regarding the possible application of these rules, including the application of the rules to their particular circumstances.

Backup Withholding and Information Reporting

Dividends paid on, and proceeds from the sale or other disposition of, the series A shares or ADSs to a U.S. Holder generally may be subject to the information reporting requirements of the Code and may be subject to backup withholding unless the U.S. Holder provides an accurate taxpayer identification number and makes any other required certification or otherwise establishes an exemption. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a refund or credit against the U.S. Holder's U.S. federal income tax liability, provided the required information is furnished to the U.S. Internal Revenue Service in a timely manner.

A holder that is not a U.S. Holder may be required to comply with certification and identification procedures in order to establish its exemption from information reporting and backup withholding.

Argentine Tax Considerations

On December 27, 2017, the Argentine Congress approved a comprehensive tax reform. The tax reform was enacted through Law No. 27,430 which became effective as of January 1, 2018.

The tax reform imposes, among other things, a capital gains tax on the sale or transfer by non-Argentine residents of shares or other participations in foreign entities when the following two conditions are met: (i) 30% or more of the market value of the foreign entity is, at the moment of the sale or at any point in the 12 months prior to the sale, derived from assets located in Argentina, and (ii) the participation being transferred represents (at the moment of the sale or transfer or during the 12 prior months) 10% or more of the equity of the foreign entity (please note that Argentine regulations foresee that, in certain cases, shares sold by related persons must be aggregated for this purpose). The applicable tax rate would generally be 15% (calculated on the actual net gain or a presumed net gain equal to 90% of the sale price) of the proportional value that corresponds to the Argentine assets. This tax on indirect transfers only applies to participations in foreign entities acquired after the effective date of the tax reform.

Since our Argentine assets currently represent more than 30% of the value of our total assets on a consolidated basis, a holder that sells or transfers our common shares, acquired after January 1, 2018, could be subject to the Argentine capital gains tax to the extent the mentioned requisites are met.

Argentine holders are encouraged to consult a tax advisor as to the particular Argentine tax consequences derived from the holding of, and any transactions relating to, the ADSs and series A shares.

DOCUMENTS ON DISPLAY

The materials included in this annual report on Form 20-F, and exhibits therein, may be inspected and copied at the Securities and Exchange Commission's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Any SEC filings we make are also available to the public over the Internet at the SEC's website: www.sec.gov.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our activities are exposed to market risk, including the exchange rate risk, the interest rate risk and the price risk. Financial risks are those derived from financial instruments we are exposed to during or at the closing of each fiscal year. Risk management systems and policies are reviewed on a regular basis to reflect changes in market conditions and our activities, with a focus not placed on the individual risks of the business units' operations, but with a wider perspective focused on monitoring risks affecting the whole portfolio. Financial risk management is controlled by the Financial Department, which identifies, evaluates and covers financial risks. Our risk management strategy seeks to achieve a balance between profitability targets and risk exposure levels.

For further information on our market risks, please see Note 18.6.1.1 to our Audited Financial Statements.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

American Depositary Shares

The Bank of New York Mellon is the depositary of the ADS program. Each ADS represents one series A share (or a right to receive one series A share) deposited with Banco S3 México S.A., Institución de Banca ó, as custodian for the depositary in Mexico. The depositary's office at which the ADSs will be administered and its principal executive office are located at 240 Greenwich Street, New York, New York 10286.

Depositary Fees and Expenses

Persons depositing or withdrawing shares or ADS holders must pay:	For:
US$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)	Issuance of ADSs, including issuances resulting from a distribution of shares or rights or other property Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates
US$.05 (or less) per ADS	Any cash distribution to ADS holders
A fee equivalent to the fee that would be payable if securities distributed to you had been shares and the shares had been deposited for issuance of ADSs	Distribution of securities distributed to holders of deposited securities (including rights) that are distributed by the depositary to ADS holders
US$.05 (or less) per ADS per calendar year	Depositary services
Registration or transfer fees	Transfer and registration of shares on our share register to or from the name of the depositary or its agent when you deposit or withdraw shares
Expenses of the depositary	Cable and facsimile transmissions (when expressly provided in the deposit agreement) Converting foreign currency to U.S. dollars
Taxes and other governmental charges the depositary or the custodian has to pay on any ADSs or shares underlying ADSs, such as stock transfer taxes, stamp duty or withholding taxes	As necessary
Any charges incurred by the depositary or its agents for servicing the deposited securities	As necessary

The depositary collects its fees for delivery and surrender of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deduction from cash distributions or by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depositary may collect any of its fees by deduction from any cash distribution payable (or by selling a portion of securities or other property distributable) to ADS holders that are obligated to pay those fees. The depositary may generally refuse to provide fee-attracting services until its fees for those services are paid.

From time to time, the depositary may make payments to us to reimburse us for costs and expenses generally arising out of establishment and maintenance of the ADS program, waive fees and expenses for services provided to us by the depositary or share revenue from the fees collected from ADS holders. For the year ended December 31, 2020, the depositary reimbursed to us a gross amount of US$50,000 in connection with the ADS program.

In performing its duties under the deposit agreement, the depositary may use brokers, dealers, foreign currency dealers or other service providers that are owned by or affiliated with the depositary and that may earn or share fees, spreads or commissions.

The depositary may convert currency itself or through any of its affiliates and, in those cases, acts as principal for its own account and not as agent, advisor, broker or fiduciary on behalf of any other person and earns revenue, including, without limitation, transaction spreads, that it will retain for its own account. The revenue is based on, among other things, the difference between the exchange rate assigned to the currency conversion made under the deposit agreement and the rate that the depositary or its affiliate receives when buying or selling foreign currency for its own account. The depositary makes no representation that the exchange rate used or obtained in any currency conversion under the deposit agreement will be the most favorable rate that could be obtained at the time or that the method by which that rate will be determined will be the most favorable to ADS holders, subject to the depositary's obligations under the deposit agreement. The methodology used to determine exchange rates used in currency conversions is available upon request.

You will be responsible for any taxes or other governmental charges payable on your ADSs or on the deposited securities represented by any of your ADSs. We, the depositary bank and the custodian may withhold or deduct from any distribution the taxes and governmental charges payable by holders and the depositary may sell any and all property on deposit to pay the taxes and governmental charges payable by holders. You will be liable for any deficiency if the sale proceeds do not cover the taxes that are due.

The depositary may refuse to register any transfer of your ADSs or allow you to withdraw the deposited securities represented by your ADSs until those taxes or other charges are paid. It may apply payments owed to you or sell deposited securities represented by your ADSs to pay any taxes owed and you will remain liable for any deficiency. If the depositary sells deposited securities, it will, if appropriate, reduce the number of ADSs to reflect the sale and pay to ADS holders any proceeds, or send to ADS holders any property, remaining after it has paid the taxes. You are required to indemnify us, the depositary and the custodian for any claims with respect to taxes based on any tax benefit obtained for you.

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None.

ITEM 15. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We have evaluated, with the participation of our Chief Executive Officer and Chief Financial Officer, the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to 13a-15(e) and 15d-15(e) of the Exchange Act, as of December 31, 2020.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon our evaluation, we, with the participation of our Chief Executive Officer and Chief Financial Officer, concluded that as of December 31, 2020, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the applicable rules and forms, and that it is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Annual Report On Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15(d)-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting is a process designed under the supervision of our Chief Executive Officer and Chief Financial

Officer, and monitored by our board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external reporting purposes in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, and it includes those policies and procedures that: i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of our assets; ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS, and that receipts and expenditures are being made only in accordance with authorization of our management and directors; and iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, effective control over financial reporting cannot, and does not, provide absolute assurance of achieving our control objectives. Also, projection of any evaluation of the effectiveness of the internal controls to future periods is subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

As of the year ended December 31, 2020, our management conducted an assessment of the effectiveness of our internal control over financial reporting in accordance with the criteria established in the publication "Internal Control – Integrated Framework (2013)," issued by the Committee of the Sponsoring Organizations of the Treadway Commission, as well as the rules set by the SEC in its Final Rule "Management's Report on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports."

Based on the assessment performed, management concluded that our internal control over financial reporting was effective as of the end of the period covered by this annual report.

Attestation report of the registered public accounting firm

Not applicable, in light of the Company's status as an emerging growth company.

Changes in internal control over financial reporting

There was no change in our internal control over financial reporting that occurred during the period covered by this annual report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

During 2020, the Company completed the first year of implementation of specific standards for the Sarbanes-Oxley Act ("SOX") and performed a management assessment over internal control.

ITEM 16. RESERVED

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

The Board of Directors of Vista has determined that Pierre Jean Sivignon is the Audit Committee financial expert. We believe that Mr. Sivignon possesses the attributes of an Audit Committee financial expert set forth in the instructions to Item 16A of Form 20-F. Under Argentine law and Rule 10A-3 Mr. Sivignon is an independent director. See "Item 5H— Directors, Senior Management and Employees—Board of Directors—Pierre-Jean Sivignon."

ITEM 16B. CODE OF ETHICS

We have adopted a code of ethics that applies to all Vista´s officers and employees and third parties (contractors, suppliers, partners) which interact with Vista which is posted on our web site at: www.vistaoilandgas.com. We did not modify or amend our code of ethics during the year ended December 31, 2020. In addition, we did not grant any waivers to our code of ethics during the year ended December 31, 2020.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit and Non-Audit Fees

The following table summarizes the aggregate fees billed to us by Mancera, S.C. and other Ernst & Young practices (collectively, Ernst & Young) during the fiscal years ended December 31, 2020 and December 31, 2019:

	2020 US$	2019 US$
	(in thousands)	
Audit fees	455	450
Audit—related fees	10	103
Tax fees	105	100
Other services	—	35
Total fees	570	688

Audit Fees. Audit fees in the above table are the aggregate fees billed by Ernst & Young in connection with the audit of our annual financial statements and the review of our quarterly financial information and statutory audits.

Audit-related Fees. Audit-related fees in the above table are the aggregate fees billed by Ernst & Young for assurance and other services related to the performance of the audit

Tax Fees. Tax fees in the above table are fees billed by Ernst & Young for allowed tax compliance, tax advice and tax planning.

Other services- Other services are fees billed by Ernst & Young for services other than tax and audit related fees, mainly associated to allowed advisory related services requested by the Company.

The policy of our audit committee is to pre-approve all audit and non-audit services provided by EY, including audit services, audit-related services, tax services and other services as described above, other than those for *de minimis* services which are approved by the audit committee prior to the completion of the audit.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Not applicable.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

Corporate Governance Practices

Companies listed on the NYSE must comply with the corporate governance standards provided under Section 303A of the NYSE Listed Company Manual. As a foreign private issuer, we are permitted to follow home country practices in lieu of Section 303A, except that we are required to comply with Sections 303A.06, 303A.11 and 303A.12(b) and (c) of the NYSE Listed Company Manual. Under Section 303A.06, we must have an audit committee that meets the independence requirements of Rule 10A-3 under the Exchange Act. Under Section 303A.11, we must disclose any significant ways in which their corporate governance practices differ from those followed by domestic companies under NYSE listing standards. Finally, under Section 303A.12(b) and (c), we must promptly notify the NYSE in writing after becoming aware of any non-compliance with any applicable provisions of this Section 303A and must annually make a written affirmation to the NYSE.

The table below briefly describes the significant differences between our Mexican corporate governance rules and the NYSE corporate governance rules.

Section	NYSE Corporate Governance Rules	Mexican Corporate Governance Rules
303A.01	A listed company must have a majority of independent directors. "Controlled companies" are not required to comply with this requirement.	A listed company must have at least 25% of independent directors. All listed companies must comply with this requirement.
303A.02	No director qualifies as "independent" unless the board of directors affirmatively determines that the director has no material relationship with the listed company (whether directly or as a partner, shareholder, or officer of an organization that has a relationship with the company), and emphasizes that the concern is independence from management. The board is also required, on a case by case basis, to express an opinion with regard to the independence or lack of independence, of each individual director.	The shareholder's meeting of a listed company in which a director is appointed or ratified, or where such appointment or ratification is informed, must affirmatively determine whether such director qualifies as independent. Under the Mexican Securities Market Law (i) shareholders that individually or as a group control the listed company, (ii) officers, employees or examiners of the listed company or its affiliates; (iii) individuals with significant influence or command authority (as defined below) over the listed company or its affiliates, among other persons, cannot be appointed as independent directors. There is test with respect to independence from the management as such.
303A.03	The non-management directors of a listed company must meet at regularly scheduled executive sessions without management.	There is no such requirement.
303A.04	A listed company must have a nominating/corporate governance committee composed entirely of independent directors, with a written charter that covers certain minimum specified duties. "Controlled companies" are not required to comply with this requirement.	A listed company must have a corporate governance committee with at least three members appointed by the board of directors and which members must all be independent. The corporate governance committee of a listed company that is controlled by a person or group maintaining 50% or more of its outstanding capital stock may be formed by a majority of independent members.
303A.05	A listed company must have a compensation committee composed entirely of independent directors, with a written charter that covers certain minimum specified duties. "Controlled companies" are not required to comply with this requirement.	There is no such requirement.

Section	NYSE Corporate Governance Rules	Mexican Corporate Governance Rules
303A.06	A listed company must have an audit committee with a minimum of three independent directors who satisfy the independence requirements of Rule 10A-3, with a written charter that covers certain minimum specified duties. As a foreign private issuer, we are required to comply with Section 303A.06, other than the requirement to have a minimum of three members on our audit committee.	A listed company must have an audit committee with at least three members appointed by the board of directors and which members must all be independent. The minimum duties of this committee are set forth in the Mexican Securities Market Law, which include, among other things, supervising external auditors, discuss yearly financial statements and, when applicable, recommend their approval, informing the board of directors of existing internal controls and irregularities that it encounters, investigate breaches of operating policies internal control and internal audit systems and supervise the activities of the chief executive officer.
303A.08	Shareholders must be given the opportunity to vote on all equity-compensation plans and material revisions thereto, with limited exemptions set forth in the NYSE rules.	Stock options plans for employees and pensions plans of a listed company and its affiliates, and similar structures, must be approved by the shareholders' meeting of the listed company. Such plan must provide for a general and equivalent treatment to all employees in similar situations.
303A.09	A listed company must adopt and disclose corporate governance guidelines that cover certain minimum specified subjects.	The by-laws of a listed company must comply with the corporate governance provided for in the Mexican Securities Market Law.
303A.10	A listed company must adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly disclose any waivers of the code for directors or executive officers.	A company listed in the Mexican Stock Exchange must adopt the code of ethics issued by the board of directors of such exchange and represent its knowledge of the best corporate practices code.
303A.12	(a) Each listed company CEO must certify to the NYSE each year that he or she is not aware of any violation by the company of NYSE corporate governance listing standards.	There is no such requirement.
	(b) Each listed company CEO must promptly notify the NYSE in writing after any executive officer of the listed company becomes aware of any non-compliance with any applicable provisions of this Section 303A.	There is no such requirement.
	(c) Each listed company must submit an executed Written Affirmation annually to the NYSE. In addition, each listed company must submit an interim Written Affirmation as and when required by the interim Written Affirmation form specified by the NYSE. As a foreign private issuer, we are required to comply with Section 303A.12.	The secretary of the board of directors of a company listed in the Mexican Stock Exchange must disclose, at least once a year, the obligations, liabilities and recommendations resulting from the code of ethics, the best corporate practices code and the rules issued by the Mexican Stock Exchange to the directors of a listed company.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 17. FINANCIAL STATEMENTS

Not applicable.

ITEM 18. FINANCIAL STATEMENTS

Our Audited Financial Statements are included in this annual report beginning on page F-1.

ITEM 19. EXHIBITS

Documents filed as exhibits to this annual report:

1.1	English translation of bylaws (as amended) of the registrant (incorporated by reference to Vista´s registration statement on Form F-1 filed with the SEC on July 2, 2019).
2.1	Form of Deposit Agreement among Vista Oil & Gas, S.A.B. de C.V., The Bank of New York Mellon, as depositary, and the owners and holders from time to time of American Depositary Shares issued thereunder (incorporated by reference to our registration statement on Form F-6 filed with the SEC on July 2, 2019).
2.2	Description of rights of each class of securities registered under Section 12 of the Securities Exchange Act of 1934 (included as Exhibit 2.2 of the Form 20-F filed by Vista Oil & Gas, S.A.B. de C.V. on April 30, 2020 and incorporated by reference herein).
4.1	Amended & Restated Credit Agreement, dated January 19, 2021, among Vista Oil & Gas Argentina S.A.U. (formerly known as Vista Oil & Gas Argentina S.A. and the successor of APCO Argentina S.A. and APCO Oil & Gas S.A.U.), as borrower, Vista Oil & Gas, S.A.B. de C.V., Vista Oil & Gas Holding I, S.A. de C.V., and Vista Oil & Gas Holding II, S.A. de C.V. and (i) Banco de Galicia y Buenos Aires S.A.U., Itaú Unibanco S.A.U., Nassau Branch, Banco Santander Rio S.A. and Citibank, N.A. (acting through its International Banking Facilities), as lenders, and (ii) Banco Itaú, as administrative agent (the "Credit Agreement").
4.2	Guaranty to the Credit Agreement Agreement, dated July 19, 2018, among Vista Oil & Gas, S.A.B. de C.V., APCO Argentina S.A., APCO Oil and Gas International, Inc. and Banco de Galicia y Buenos Aires S.A.U., Itaú Unibanco S.A.U., Nassau Branch (incorporated by reference to Vista´s registration statement on Form F-1 filed with the SEC on July 2, 2019).
4.3	Guaranty to the Credit Agreement, dated October 22, 2018, among Vista Oil & Gas Holding II, S.A. de C.V. and Itaú Unibanco S.A.U., Nassau Branch (incorporated by reference to Vista´s registration statement on Form F-1 filed with the SEC on July 2, 2019).

4.4	English translation of Warrant Indenture, dated August 7, 2017, between Vista Oil & Gas, S.A.B. de C.V. and Monex Casa de Bolsa, S.A. de C.V. (incorporated by reference to Vista´s registration statement on Form F-1 filed with the SEC on July 2, 2019).
4.5	English translation of concession agreement regarding the Bajada del Palo Oeste and Bajada del Palo Este concessions, dated November 22, 2018, among Vista Oil & Gas Argentina S.A., APCO Oil & Gas S.A.U. and the Province of Neuquén (incorporated by reference to Vista´s registration statement on Form F-1 filed with the SEC on July 2, 2019).
4.6	English translation of concession agreement regarding the Entre Lomas concession in the Province of Neuquén, dated June 11, 2009, among Petrolera Entre Lomas S.A., APCO Argentina Inc. (Sucursal Argentina) and the Province of Neuquén (incorporated by reference to Vista´s registration statement on Form F-1 filed with the SEC on July 2, 2019).
4.7	English translation of concession agreement regarding the Entre Lomas concession in the Province of Río Negro, dated December 9, 2014, among Petrolera Entre Lomas S.A. and the Province of Río Negro (incorporated by reference to Vista´s registration statement on Form F-1 filed with the SEC on July 2, 2019).
4.8	English translation of concession agreement regarding the Jagüel de los Machos and 25 de Mayo – Medanito concessions in the Province of Río Negro, dated December 9, 2014, among Petrobras Argentina S.A. and the Province of Río (incorporated by reference to Vista´s registration statement on Form F-1 filed with the SEC on July 2, 2019).
4.9	Strategic Partners Agreement, dated August 1, 2017, among Vista Oil & Gas, S.A.B. de C.V., Vista Sponsor Holdings, L.P., Miguel Galuccio, Pablo Vera Pinto, Juan Garoby and Alejandro Cherñacov (incorporated by reference to Vista´s registration statement on Form F-1 filed with the SEC on July 2, 2019).
4.10	Amended & Restated Forward Purchase Agreement, dated September 12, 2018, among Vista Oil & Gas, S.A.B de C.V. and Riverstone Vista Capital Partners, L.P. (incorporated by reference to Vista´s registration statement on Form F-1 filed with the SEC on July 2, 2019).
8.1	List of Subsidiaries.
12.1	Certification of Miguel Galuccio of Vista Oil & Gas, S.A.B. de C.V. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

12.2	Certification of Pablo Manuel Vera Pinto of Vista Oil & Gas, S.A.B. de C.V. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
13.1	Certification of Miguel Galuccio and Pablo Manuel Vera Pinto pursuant to U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
15.1	Consent of DeGolyer and MacNaughton.
15.2	Consent of Netherland, Sewell International, S. de R.L. de C.V.
99.1	Reserves Report, dated February 1, 2021, prepared by DeGolyer and MacNaughton.
99.2	Reserves Report, dated February 5, 2021, prepared by Netherland, Sewell International, S. de R.L. de C.V.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

SIGNATURE

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Vista Oil & Gas S.A.B. de C.V.

By: /s/ Miguel Galuccio
Name: Miguel Galuccio
Title: Chief Executive Officer

By: /s/ Pablo Manuel Vera Pinto
Name: Pablo Manuel Vera Pinto
Title: Chief Financial Officer

Date: April 28, 2021

INDEX TO THE FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Vista Oil & Gas, S.A.B.de C.V.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Vista Oil & Gas, S.A.B.de C.V., and subsidiaries ("Company" or "Successor") as of December 31, 2020, 2019 and 2018, and the related consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the period ended December 31, 2020, 2019 and for the period from April 4, 2018 through December 31, 2018, and the related notes thereto. We have also audited the accompanying statement of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows of Petrolera Entre Lomas, S.A. ("PELSA" or "Predecessor") for the period from January 1, 2018 to April 3, 2018.

In our opinion, the Successor consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company at December 31, 2020, 2019 and 2018, and the consolidated results of its operations and its cash flows for the period ended December 31 2020, 2019 and for the period from April 4, 2018 through December 31, 2018, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. In our opinion, the Predecessor financial statements present fairly, in all material respects, the results of the operations and cash flows of PELSA for the period from January 1, 2018 to April 3, 2018, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

As discussed in Notes 1.1 and 32 to the financial statements, effective April 4, 2018, the Company acquired PELSA, in a transaction accounted for as a business combination. As a result of the acquisition, the consolidated financial information for the Successor period is presented on a different cost basis than that for the Predecessor period and, therefore, is not comparable.

Basis for Opinions

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express opinions on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company and PELSA in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Mexico according to the "Código de Ética Profesional del Instituto Mexicano de Contadores Públicos", and in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company and PELSA are not required to have, nor were we engaged to perform an audit of their internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinions on the effectiveness of the Company's or PELSA's internal control over financial reporting. Accordingly, we express no such opinions.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Mancera, S.C.
A member practice of
Ernst & Young Global Limited

/s/ MANCERA,S.C.
We have served as the Company's auditor since 2017
Mexico City, Mexico
April 27, 2021

VISTA OIL & GAS, S.A.B. DE C.V. (SUCCESSOR) AND
PETROLERA ENTRE LOMAS SOCIEDAD ANÓNIMA (PREDECESSOR)

Consolidated statements of profit or loss and other comprehensive income for the years ended December 31, 2020 and 2019 and for the period from April 4, 2018 through December 31, 2018 (Successor) and statements of profit or loss and other comprehensive income for the period from January 1, 2018 through April 3, 2018 (Predecessor)
(Amounts expressed in thousands of US Dollars)

	Notes	Consolidated – Successor For the year ended December 31, 2020	Consolidated – Successor For the year ended December 31, 2019	Consolidated – Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Revenue from contract with customers	**5**	273,938	415,976	331,336	44,463
Cost of sales:					
Operating expenses	**6.1**	(88,018)	(114,431)	(86,245)	(18,367)
Crude oil stock fluctuation	**6.2**	3,095	310	(1,241)	733
Depreciation, depletion and amortization	**13/14/15**	(147,674)	(153,001)	(74,772)	(14,194)
Royalties		(38,908)	(61,008)	(50,323)	(6,795)
Gross profit		**2,433**	**87,846**	**118,755**	**5,840**
Selling expenses	**7**	(24,023)	(27,138)	(21,341)	(3,091)
General and administrative expenses	**8**	(33,918)	(42,400)	(24,202)	(1,466)
Exploration expenses	**9**	(646)	(676)	(637)	(134)
Other operating income	**10.1**	5,573	3,165	2,699	1,240
Other operating expenses	**10.2**	(4,989)	(6,180)	(18,097)	(135)
Impairment of long -lived assets	**3.2.2**	(14,438)	—	—	—
Operating (loss) / profit		**(70,008)**	**14,617**	**57,177**	**2,254**
Interest income	**11.1**	822	3,770	2,532	239
Interest expense	**11.2**	(47,923)	(34,163)	(15,746)	(23)
Other financial results	**11.3**	4,247	(715)	(22,920)	(1,159)
Financial results, net		**(42,854)**	**(31,108)**	**(36,134)**	**(943)**
(Loss) / Profit before income tax		**(112,862)**	**(16,491)**	**21,043**	**1,311**
Current income tax (expense)	**16**	(184)	(1,886)	(35,450)	(4,615)
Deferred income tax (expense) / benefit	**16**	10,297	(14,346)	(11,975)	(3,345)
Income tax benefit / (expense)		**10,113**	**(16,232)**	**(47,425)**	**(7,960)**
Net (loss) for the year / period		**(102,749)**	**(32,723)**	**(26,382)**	**(6,649)**
Other comprehensive income					
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods					
- Remeasurements profit / (loss) related to defined benefits plans	**23**	460	(1,577)	(3,565)	(89)
- Deferred income tax (expense) / benefit	**16**	(114)	394	891	22
Other comprehensive income that will not be reclassified to profit or loss in subsequent years		**346**	**(1,183)**	**(2,674)**	**(67)**
Other comprehensive income for the year/period, net of tax		**346**	**(1,183)**	**(2,674)**	**(67)**
Total comprehensive (loss) for the year/period		**(102,403)**	**(33,906)**	**(29,056)**	**(6,716)**
(Losses) per share attributable to equity holders of the parent					
Basic and Diluted (In US dollars per share):	**12**	(1.175)	(0.409)	(0.375)	(0.070)

Notes 1 to 36 are an integral part of these consolidated financial statements.

VISTA OIL & GAS, S.A.B. DE C.V. (SUCCESSOR) AND
PETROLERA ENTRE LOMAS SOCIEDAD ANÓNIMA (PREDECESSOR)

Consolidated statements of financial position as of December 31, 2020, 2019 and 2018 (Successor)
(Amounts expressed in thousands of US Dollars)

	Notes	Successor As of December 31, 2020	Successor As of December 31, 2019	Successor As of December 31, 2018
Assets				
Non-current assets				
Property, plant and equipment	**13**	1,002,258	917,066	820,722
Goodwill	**14**	28,484	28,484	28,484
Other intangible assets	**14**	21,081	34,029	31,600
Right-of-use-assets	**15**	22,578	16,624	—
Trade and other receivables	**17**	29,810	15,883	20,191
Deferred income tax	**16**	565	476	—
Total non-current assets		**1,104,776**	**1,012,562**	**900,997**
Current assets				
Inventories	**19**	13,870	19,106	18,187
Trade and other receivables	**17**	51,019	93,437	86,050
Cash, bank balances and other short-term investments	**20**	202,947	260,028	80,908
Total current assets		**267,836**	**372,571**	**185,145**
Total assets		**1,372,612**	**1,385,133**	**1,086,142**
Shareholders' equity and liabilities				
Shareholders' equity				
Share capital	**21.1**	659,400	659,399	513,255
Share-based payment reserve	**34**	23,046	15,842	4,021
Accumulated other comprehensive loss		(3,511)	(3,857)	(2,674)
Accumulated losses		(170,417)	(67,668)	(34,945)
Total shareholders' equity		**508,518**	**603,716**	**479,657**
Liabilities				
Non-current liabilities				
Deferred income tax liabilities	**16**	135,567	147,019	133,757
Lease liabilities	**15**	17,498	9,372	—
Provisions	**22**	23,909	21,146	16,186
Borrowings	**18.1**	349,559	389,096	294,415
Warrants	**18.3**	362	16,860	23,700
Employee defined benefit plans obligation	**23**	3,461	4,469	3,302
Accounts payable and accrued liabilities	**26**	—	419	1,007
Total non-current liabilities		**530,356**	**588,381**	**472,367**
Current liabilities				
Provisions	**22**	2,084	3,423	4,140
Lease liabilities	**15**	6,183	7,395	—
Borrowings	**18.1**	190,227	62,317	10,352
Salaries and social security payable	**24**	11,508	12,553	6,348
Income tax payable	**16**	—	3,039	22,429
Other taxes and royalties payable	**25**	5,117	6,040	6,515
Accounts payable and accrued liabilities	**26**	118,619	98,269	84,334
Total current liabilities		**333,738**	**193,036**	**134,118**
Total liabilities		**864,094**	**781,417**	**606,485**
Total shareholders' equity and liabilities		**1,372,612**	**1,385,133**	**1,086,142**

Notes 1 to 36 are an integral part of these consolidated financial statements.

VISTA OIL & GAS, S.A.B. DE C.V. (SUCCESSOR) AND
PETROLERA ENTRE LOMAS SOCIEDAD ANÓNIMA (PREDECESSOR)

Predecessor statements of changes in shareholders' equity for the period from January 1, 2018 through April 3, 2018
(Amounts expressed in thousands of US Dollars)

	Share Capital	Legal reserve	Voluntary reserve	Accumulated loss	Accumulated other comprehensive loss	Total Predecessor shareholders' equity
Balances as of December 31, 2017	**39,239**	**7,523**	**385,033**	**(148,694)**	**(2,800)**	**280,301**
Loss for the period	—	—	—	(6,649)	—	(6,649)
Other comprehensive loss for the period	—	—	—	—	(67)	(67)
Total comprehensive (loss)	—	—	—	**(6,649)**	**(67)**	**(6,716)**
Balances as of April 3, 2018	**39,239**	**7,523**	**385,033**	**(155,343)**	**(2,867)**	**273,585**

Notes 1 to 36 are an integral part of these consolidated financial statements.

VISTA OIL & GAS, S.A.B. DE C.V. (SUCCESSOR) AND
PETROLERA ENTRE LOMAS SOCIEDAD ANÓNIMA (PREDECESSOR)

Successor statements of changes in shareholders' equity for the period from April 4, 2018 through December 31, 2018 and for the years ended December 31, 2020 and 2019

(Amounts expressed in thousands of US Dollars)

	Share Capital	Share-based payment reserve	Accumulated loss	Accumulated other comprehensive loss	Total attributable to the equity holders of the Successor	Non-controlling interest	Total shareholders' equity
Balances as of April 4, 2018	**25**	**—**	**(8,563)**[1]	**—**	**(8,539)**	**—**	**(8,539)**
Loss for the period	—	—	(26,382)	—	**(26,382)**	—	**(26,382)**
Other comprehensive (loss) for the period	—	—	—	(2,674)	**(2,674)**	—	**(2,674)**
Total comprehensive (loss)	**—**	**—**	**(26,382)**	**(2,674)**	**(29,056)**	**—**	**(29,056)**
Proceeds from Series A shares net of issuance costs (Note 21.1)	513.230	—	—	—	**513,230**	—	**513,230**
Share-based payments (Note 34)	—	4,021	—	—	**4,021**	—	**4,021**
Non-controlling interest arising on business combination (Note 32.1.3)	—	—	—	—	**—**	1,307	**1,307**
Acquisition of non-controlling interest (Note 32.1.3)	—	—	—	—	**—**	(1,307)	**(1,307)**
Balances as of December 31, 2018	**513,255**	**4,021**	**(34,945)**	**(2,674)**	**479,656**	**—**	**479,657**
Loss for the year	—	—	(32,723)	—	**(32,723)**	—	**(32,723)**
Other comprehensive (loss) for the year	—	—	—	(1,183)	**(1,183)**	—	**(1,183)**
Total comprehensive (loss)	**—**	**—**	**(32,723)**	**(1,183)**	**(33,906)**	—	**(33,906)**
Proceeds from Series A shares net of issuance costs (Note 21.1)	146,144	—	—	—	**146,144**	—	**146,144**
Share-based payments [2] (Note 34)	—	11,821	—	—	**11,821**	—	**11,821**
Balances as of December 31, 2019	**659,399**	**15,842**	**(67,668)**	**(3,857)**	**603,716**	**—**	**603,716**
Loss for the year	—	—	(102,749)	—	**(102,749)**	—	**(102,749)**
Other comprehensive (loss) for the year	—	—	—	346	**346**	—	**346**
Total comprehensive (loss)	**—**	**—**	**(102,749)**	**346**	**(102,403)**	—	**(102,403)**
Share-based payments [2] (Note 34)	1	7,204	—	—	**7,205**	—	**7,205**
Balances as of December 31, 2020	**659,400**	**23,046**	**(170,417)**	**(3,511)**	**508,518**	—	**508,518**

(1) Includes the net loss of VISTA for the period beginning March 22, 2017 (inception) to April 3, 2018.

(2) Includes 10,494 and 10,655 of share-based payments expenses for the year ended December 31, 2020 and 2019, net of withholding taxes charge, respectively. (See Note 8).

Notes 1 to 36 are an integral part of these consolidated financial statements.

VISTA OIL & GAS, S.A.B. DE C.V. (SUCCESSOR) AND
PETROLERA ENTRE LOMAS SOCIEDAD ANÓNIMA (PREDECESSOR)

Consolidated statements of cash flows for the years ended December 31, 2020 and 2019 and for the period from April 4, 2018 through December 31, 2018 (Successor) and statements of cash flows for the period from January 1, 2018 through April 3, 2018 (Predecessor)
(Amounts expressed in thousands of US Dollars)

	Notes	Consolidated – Successor For the year ended December 31, 2020	Consolidated – Successor For the year ended December 31, 2019	Consolidated - Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Cash flows from operating activities					
Net (loss) / Profit for the year/period		(102,749)	(32,723)	(26,382)	(6,649)
Adjustments to reconcile net cash flows					
Non-cash ítems related with operating activities:					
(Reversal in)/Allowances for expected credit losses	**7/10.1**	(22)	(118)	539	(111)
Foreign currency exchange difference, net	**11.3**	(3,068)	2,991	(3,005)	(3,268)
Unwinding of discount on asset retirement obligation	**11.3**	2,584	1,723	897	233
Increase of provisions, net	**10.2**	103	2,210	2,533	2
Interest expense leases	**11.3**	1,641	1,561	—	—
Effect of discount of assets and liabilities at present value	**11.3**	3,432	10	2,743	—
Share-based payment expense	**8**	10,494	10,655	4,021	—
Net cost for employee defined benefits obligation	**23**	250	220	368	132
Income tax benefit / (expense)	**16**	(10,113)	16,232	47,425	7,960
Bargain purchase on business combination	**32**	(1,383)	—	—	—
Non-cash ítems related with investing activities:					
Depreciation and depletion	**13/15**	145,106	151,483	73,975	14,513
Amortization of intangible assets	**14**	2,568	1,518	797	198
Impairment of long-lived assets	**3.2.2**	14,438	—	—	—
Gain on sale or disposal of property, plant and equipment	**11.1**	—	—	—	(245)
Interest income	**11.1**	(822)	(3,770)	(2,532)	—
Changes in the fair value of financial assets	**11.3**	645	(873)	(1,415)	(69)
Decreases in property, plant and equipment	**13**	—	—	—	1,529
Non-cash items related with financing activities:					
Interest expense	**11.2**	47,923	34,163	15,546	(118)
Changes in the fair value of warrants	**11.3**	(16,498)	(6,840)	8,860	—
Costs of early settlements of borrowings and amortized costs	**11.3**	2,811	2,076	14,474	—
Impairment of financial assets	**11.3**	4,839	—	—	—
Changes in working capital:					
Trade and other receivables		3,915	(2,073)	(32,945)	9,738
Inventories		(2,861)	(609)	(10,951)	2,315
Accounts payable and accrued liabilities		2,397	(22,105)	33,760	(966)
Contributions paid for employee defined benefits obligations	**23**	(798)	(630)	(727)	(57)
Salaries and social security payable		(2,570)	5,405	3,659	(707)
Other taxes and royalties payable		(2,080)	2,377	9,973	(825)
Provisions		(1,672)	(2,298)	551	(334)
Income tax paid [(2)]		(4,731)	(26,327)	(16,642)	(992)
Net cash flows generated by operating activities		**93,779**	**134,258**	**125,522**	**22,279**

VISTA OIL & GAS, S.A.B. DE C.V. (SUCCESSOR) AND
PETROLERA ENTRE LOMAS SOCIEDAD ANÓNIMA (PREDECESSOR)

Consolidated statements of cash flows for the years ended December 31, 2020 and 2019 and for the period from April 4, 2018 through December 31, 2018 (Successor) and statements of cash flows for the period from January 1, 2018 through April 3, 2018 (Predecessor)
(Amounts expressed in thousands of US Dollars)

	Notes	Consolidated – Successor For the year ended December 31, 2020	Consolidated – Successor For the year ended December 31, 2019	Consolidated - Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Cash flows from investing activities					
Business acquisitions, net of cash acquired	**32.4**	—	—	(725,174)	—
Payments for acquisition of property, plant and equipment		(153,257)	(240,315)	(117,837)	(12,476)
Payments for acquisition of other intangible assets	**14**	(3,664)	(4,225)	(31,486)	(13)
Proceeds from sales of property, plant and equipment		—	—	—	245
Payments for acquisition of other financial assets		—	—	—	(8,190)
Proceeds from other financial assets		—	5,761	16,680	11,377
Proceeds from interest received		822	3,770	567	114
Net cash flows (used in) investing activities		**(156,099)**	**(235,009)**	**(857,250)**	**(8,943)**
Cash flows from financing activities					
Payment for acquisition of non-controlling interests	**32.1.3**	—	—	(1,307)	—
Payment of redemption of Series A shares	**18.2**	—	—	(204,590)	—
Proceeds from private investment in public equity net of issue costs	**21.1**	—	—	90,239	—
Proceeds from capitalization of Series A shares net of issue costs	**21.1**	—	146,144	—	—
Payment of issue costs from capitalization of Series A shares	**21.1**	—	—	(19,500)	—
Proceeds from borrowings	**18.2**	201,728	234,728	560,000	—
Payment of cost of borrowings	**18.2**	(2,259)	(1,274)	(18,280)	—
Payments of borrowings' principal	**18.2**	(98,761)	(90,233)	(260,000)	—
Payments of borrowings' interests	**18.2**	(43,756)	(32,438)	(5,018)	—
Payments of leases	**15**	(9,067)	(7,619)	—	—
Payments / Proceeds from other financial liabilities, net of restricted cash and cash equivalents	**20/28**	(16,993)	16,993	—	—
Net cash flows provided by financing activities		**30,892**	**266,301**	**141,544**	**—**
Net (decrease) / increase in cash and cash equivalents		**(31,428)**	**165,550**	**(590,184)**	**13,336**
Cash and cash equivalents at the beginning of the year/period	**20**	234,230	66,047	671,519[1]	2,444
Effects of exchange rate changes on cash and cash equivalents		(1,488)	2,633	(15,288)	1,259
Net (decrease) / increase in cash and cash equivalents		(31,428)	165,550	(590,184)	13,336
Cash and cash equivalents at the end of the year/period	**20**	**201,314**	**234,230**	**66,047**	**17,039**

(1) Includes 700 and 653,780 of cash and cash equivalents and restricted cash and cash equivalent held by the Successor entity, respectively, as of April 4, 2018.
(2) Includes 13,087 related to income tax expense for the year ended December 31, 2018

Notes 1 to 36 are an integral part of these consolidated financial statements.

VISTA OIL & GAS, S.A.B. DE C.V. (SUCCESSOR) AND
PETROLERA ENTRE LOMAS SOCIEDAD ANÓNIMA (PREDECESSOR)

Consolidated statements of cash flows for the years ended December 31, 2020 and 2019 and for the period from April 4, 2018 through December 31, 2018 (Successor) and statements of cash flows for the period from January 1, 2018 through April 3, 2018 (Predecessor)
(Amounts expressed in thousands of US Dollars)

	Notes	Consolidated – Successor For the year ended December 31, 2020	Consolidated – Successor For the year ended December 31, 2019	Consolidated - Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Significant non-cash transactions					
Acquisition of property, plant and equipment through increase in account payables and other accounts		82,298	23,943	24,939	4,245
Changes in asset retirement obligation provision with corresponding changes in property, plant and equipment	**13/22.1**	(366)	4,141	11,839	—
Capitalization of Series A Shares	**21.1**	**—**	—	449,191	—
Aguila Mora Swap agreement	**30.3.5**	**—**	—	13,157	—

Notes 1 to 36 are an integral part of these consolidated financial statements

Note 1. Corporate and Company information

1.1 General information and Company structure and activities

Vista Oil & Gas, S.A.B. de C.V. ("VISTA", the "Company" or the "Group") is a corporation with variable capital stock organized under the laws of the United Mexican States ("Mexico") on March 22, 2017. The Company adopted the public corporation or *"Sociedad Anónima Bursátil"* ("S.A.B.") form, on July 28, 2017.

On July 25, 2019 the Company made a global offering on the New York Stock Exchange ("NYSE") and began trading the following day under the ticker "VIST". At the same day, the Company issued additional Serie A shares on the BMV. See Note 21.1 for more details.

The Company's main purposes are to:

(i) acquire, by any legal means, all kinds of assets, shares, equity interests or interest's participation in any kind of commercial or civil companies, associations, firms, trust agreements or other entities within the energy sector, in Mexico or in another country, or any other industry;

(ii) participate as a partner, shareholder or investor in all businesses or entities, whether mercantile or civil, associations, trust agreements in Mexico or in another country or any other nature;

(iii) issue and place shares representative of its social capital, either through public or private offerings, in national or foreign stock exchange markets;

(iv) issue or place warrants, either through public or private offerings, with respect to shares representing their capital stock or any other type of securities, in domestic or foreign stock exchange markets; and

(v) issue or place negotiable instruments, debt instruments or any other security, either through public or private offerings, in domestic or foreign stock exchange markets.

From its inception until April 4, 2018, all the Company's activities have been related to its constitution, the Initial Public Offering ("IPO"), in the Mexican Stock Exchange ("BMV"), and the efforts aimed at identifying and consummating the Initial Business Combination. As of that date, the Company's main activity is the exploration and production of oil and gas ("Upstream") through its subsidiaries.

The upstream operations owned by the Company are the following:

Argentina

In the Neuquén basin:

i) 100% in the conventional concessions for exploitation 25 de Mayo-Medanito SE, Jagüel de los Machos, Entre Lomas Neuquén, Entre Lomas Rio Negro and, Jarilla Quemada and Charco del Palenque (in the Agua Amarga area) (as operator);

ii) 100% in the unconventional operating concessions for exploitation Baja del Palo Oeste and Bajada del Palo Este (as operator);

iii) 84.62% in the Coirón Amargo Norte ("CAN") exploitation concessions (as operator) (See Note 30.3.4);

iv) 90% in the unconventional operating concessions for exploitation Aguila Mora (as operator);

v) 10% in the unconventional operating concessions for exploitation Coirón Amargo Sur Oeste ("CASO") (not operated);

In the Golfo San Jorge basin:

i) 16.9% in the concessions for exploitation Sur Río Deseado Este ("SRDE") (not operated); and

In the Northwest basin:

i) 1.5% in the concession for exploitation in Acambuco (not operated).

México

i) 50% of blocks CS-01 (as operator);

ii) 50% of blocks A-10 (not operated); and

iii) 50% of blocks TM-01 (not operated).

For more details about the operations that the Company has in Mexico, please refer to Note 30.3.10.

The address of the Company's main office is located in Mexico City (Mexico), at Volcán 150, Floor 5, Lomas de Chapultepec, Miguel Hidalgo, Zip Code 11000.

1.2 Aleph Midstream S.A.

As of December 31, 2018, Aleph Midstream, S.A. ("Aleph Midstream or Aleph") was a subsidiary 100% controlled by VISTA. On June 27, 2019 VISTA signed an investment agreement with a Riverstone affiliate (related partied) and a Southern Cross affiliate Group ("the investors"), to invest in Aleph, a midstream company in Argentina. Under this agreement the investors committed to acquire 99.73% of Aleph's capital. On December 27, 2019, the Company agreed to repurchase the shares acquired by investors. On February 26, 2020, the Company reached an agreement with the Partners to reacquire the participation in the subscribed and outstanding capital of said investors in Aleph, at a total purchase price of 37,500 (an amount equivalent to the total capital actually contributed to Aleph by the investors). See Note 28 for more details.

Note 2. Basis of preparation and significant accounting policies

2.1 Basis of preparation and presentation

These consolidated financial statements as of December 31, 2020, 2019 and 2018 and for the year ended December 31, 2020 and 2019 and for the period from April 4, 2018 through December 31, 2018 (Successor) and the financial statements for the period from January 1, 2018 through April 3, 2018 (Predecessor) (hereinafter referred to as the "financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). The predecessor financial statements are the first set of financial statements prepared in accordance with IFRS as issued by the IASB. Note 2.5 present the effects of the adoption of IFRS by the predecessor Company.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that have been measured at fair value. The financial statements are presented in U.S. Dollars ("US") and all values are rounded to the nearest thousand (US. 000), except when otherwise indicated.

These consolidated financial statements have been approved for issue by the Board of Directors on April 27, 2021 and considers subsequent events up to that date. The Company's Shareholders Meeting have the authority to approve or modify the Company's consolidated financial statements.

The financial statements as of December 31, 2018 (Successor) and for the period from April 4, 2018 through December 31, 2018 (Successor) and for the period from January 1, 2018 through April 3, 2018 (Predecessor) considered the following:

Successor presentation

The consolidated statements of profit or loss and other comprehensive income, changes in shareholders equity and cash flows for the Successor Company are presented for the period from April 4, 2018 through December 31, 2018, which consists of:

(i) the consolidated profit or loss and other comprehensive income of the Company for the period from April 4, 2018 (date of acquisition of PELSA; 25 de Mayo-Medanito, Jagüel de los Machos and APCO); and

(ii) costs related to the acquisition of those business;

(iii) the accumulated results of operation of VISTA from inception to April 3, 2018.

The consolidated financial statements for the Successor Company include the assets and liabilities used in operating the Company's business, including entities in which the Company has control according to Note 2.3. The Successor Company, as of the date of the completion of the Initial Business Combination, owned a 99.68% equity interest in PELSA; 3.85% direct participation in the oil and gas properties operated by PELSA; 100% of participation in the oil and gas properties 25 de Mayo-Medanito and Jagüel de los Machos and a 100% equity interest in APCO. All intercompany balances and transactions have been eliminated in consolidation.

Predecessor presentation

The statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows are presented for the predecessor period from January 1, 2018 through April 3, 2018. These periods represent the results of operations of PELSA and its joint operations (Note 30.2) (referenced herein as the ''Predecessor Company'').

These financial statements have been derived from the historical financial statements and accounting records of PELSA after giving effects to the adoption of IFRS presented in Note 2.5.

2.2 New accounting standards, amendments and interpretations issued by the IASB

2.2.1 New accounting standards, amendments and interpretations issued by the IASB, adopted by the Company

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it clarified that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments had no impact on the consolidated financial statements as of December 31, 2020, because the Company's accounting policies already considered the modifications incorporated by IFRS 3.

Amendments to IFRS 7, IFRS 9 and IAS 39: Interest Rate Benchmark Reform

The London Interbank Offered Rate ("LIBOR") is the most commonly used reference rate in the global financial market. However, concerns about the sustainability of LIBOR and other Interbank Offered Rates ("IBORs") globally has led to an effort to identify alternative reference rates. On 2017 the United Kingdom's Financial Conduct Authority announcing that it would no longer persuade, or compel, banks to submit to LIBOR as of the end of 2021. This applies to LIBOR in all jurisdictions and in all currencies.

In September 2019, the IASB issued amendments to IFRS 9, IAS 39 and IFRS 7 Financial Instruments: Disclosures, which concludes phase one of its work to respond to the effects of Interbank Offered Rates ("IBOR") reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative nearly risk-free interest rate (an "RFR").

The amendments to IFRS 9 and IAS 39 Financial Instruments: recognition and measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments had no impact on the consolidated financial statements as of December 31, 2020, because the Company does not have hedging instrument of interest rate.

On August 27, 2020, the IASB published the phase two of its IBOR reform project, focused on issues that affect financial reporting when an existing interest rate benchmark is replaced with an RFR. The effective date is for annual periods beginning on or after January 1, 2021, but earlier application is permitted. This project of the phase two was approved by the IASB on October 7, 2020.

As of December 31, 2020, the Company has not initiated negotiations with the banks for those borrowings at LIBOR rates.

Amendments to IFRS 9

The amendments include a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

The amendments are effective for annual periods beginning on or after January 1, 2020 and must be applied retrospectively. However, any hedge relationships that have previously been designated cannot be reinstated upon application, nor can any hedge relationships be designated with the benefit of hindsight. Early application is allowed.

These amendments had no impact on consolidated financial statements as of December 31, 2020, because the Company does not have hedging instrument of interest rate.

Amendments to IAS 1 and IAS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity."

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements.

A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Company.

Amendments to IFRS 16: regarding Coronavirus ("COVID-19") related rent concessions

On May 28, 2020, the IASB issued Amendments to IFRS 16: in relation to rental concessions related to Coronavirus ("COVID-19").

The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic.

As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change was not a lease modification.

The amendments are effective for annual reporting periods beginning on or after June 1, 2020. Earlier application is permitted. The amendment is also available for interim reports.

These amendments had no impact on the consolidated financial statements because the Company has not applied the practical expedient mentioned above in the lease modifications during year 2020.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

2.3.1 Subsidiaries

Subsidiaries are all entities over which the Company has control, and this happens if and only if it has:

- Power over the entity;

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

- Exposure or rights to variable returns from their involvement in the entity; and
- The ability to use its power over the entity to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The relevant activities are those that significantly affect the performance of the subsidiary. The ability to approve the operating and capital budget of a subsidiary, as well as the power to appoint the key personnel of the management, are decisions that demonstrate that the Company has present rights to direct the relevant activities of a subsidiary.

Subsidiaries are consolidated from the date when the Company acquires control over them until the date when such control ceases. Specifically, income and expenses of a subsidiary acquired or disposed during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

The acquisition method of accounting is used to account for business combinations by the Company (see Note 2.3.4).

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset and when is necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies into line with the Company's accounting policies.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if these results in the non-controlling interests having a deficit balance.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

The equity interest in the subsidiaries held by the Company at the end of the period/year are set forth below:

	Proportion of ownership interest and voting power held by the Company %				
Name of subsidiary	**December 31, 2020**	**December 31, 2019**	**December 31, 2018**	**Place of incorporation and operation**	**Main activity**
Vista Oil & Gas Holding I, S.A. de C.V. ("Vista Holding I")	100%	100%	100%	Mexico	Holding
Vista Oil & Gas Holding II, S.A. de C.V. ("Vista Holding II")	100%	100%	100%	Mexico	Upstream (3)
Vista Oil & Gas Holding III, S.A. de C.V. (1)	100%	100%	100%	Mexico	Services
Vista Oil & Gas Holding IV, S.A. de C.V. (1)	100%	100%	-%	Mexico	Services
Vista Oil & Gas Holding V B.V.	100%	-%	-%	Holland	Holding
Vista Complemento S.A. de C.V. (1)	100%	100%	100%	Mexico	Services
Vista Oil & Gas Argentina S.A.U. ("Vista Argentina") (2)	100%	100%	100%	Argentina	Upstream (3)
APCO Oil & Gas S.A.U. (4)	-%	-%	100%	Argentina	Upstream (3)

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Name of subsidiary	Proportion of ownership interest and voting power held by the Company %			Place of incorporation and operation	Main activity
	December 31, 2020	December 31, 2019	December 31, 2018		
APCO Argentina S.A. (4)	— %	— %	100%	Argentina	Holding
Aleph Midstream S.A. (1)(5)	100%	0,27%	100%	Argentina	Services(6)
Aluvional Logística S.A. (1)	100%	100%	100%	Argentina	Mining and Industry

(1) Companies established after the Initial Business Combination was completed on April 4, 2018.
(2) Onwards Vista Argentina (Previously known as Petrolera Entre Lomas S.A.)
(3) Refers to the exploration and production of gas and oil.
(4) Companies absorbed by Vista Argentina, product of a corporate reorganization process whose effective date was January 1,2019.
(5) See Note 28.
(6) Includes operations destined at the collection, treatment, transport and distribution of hydrocarbons and their derivatives.

The participation of the company in the votes of the subsidiaries companies is the same participation as in the share capital.

2.3.2. Changes in ownership interests

Changes in the Company's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company ceases to consolidate an equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss and other comprehensive income. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to consolidated statements of profit or loss and other comprehensive income.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions.

2.3.3. Joint arrangements

Under IFRS 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures, depends on the contractual rights and obligations. The Company has joint operations but does not have any joint ventures.

Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement and have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When the Company undertakes its activities under joint operations, the Company as a joint operator recognizes in relation to its interest in a joint operation:

- Assets and liabilities held jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation; and
- Its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses. These have been incorporated in the consolidated financial statements under the appropriate headings. Interest in joint operations and other agreements have been calculated based upon the latest available financial statements or financial information as of the end of each period/year, taking into consideration significant subsequent events and transactions as well as management information available. When necessary, adjustments are made to the financial statements or financial information to bring their accounting policies into line with the Company's accounting policies.

When the Company transacts with a joint operation in which an entity of the Company is a joint operator (such as a sale or contribution of assets), the Company is considered to be conducting the transaction with the other parties to the joint operation, and profits and losses resulting from the transactions are recognized in the Company's consolidated financial statements only to the extent of other parties' interests in the joint operation. When an entity of the Company transacts with a joint operation in which an entity of the Company is a joint operator (such as a purchase of assets), the Company does not recognize its share of the profits and losses until it resells those assets to a third party.

Refer to Note 1 and 30 for more information on the joint operations in which Company participates.

2.3.4 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisitions comprises:

i) The fair value of the transferred assets;

ii) The liabilities incurred to the former owners of the acquired business;

iii) The equity interests issued by the Company;

iv) The fair value of any asset or liability resulting from a contingent consideration arrangement; and

v) The fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Company recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred. The value of the goodwill represents the excess of:

i) The consideration transferred,

ii) The amount of any non-controlling interest in the acquired entity, and

iii) The acquisition-date fair value of any previous equity interest in the acquired entity, over the fair value of the net identifiable assets acquired is recorded as goodwill.

If the fair value of the net identifiable assets of the business acquired exceeds those amounts, before recognizing a profit, the Company reassesses if it has correctly identified all the assets acquired and all liabilities assumed, reviewing the procedures used to measure the amounts that will be recognized at the acquisition date. If the evaluation still results in an excess of the fair value of the net assets acquired with respect to the total consideration transferred, the profit on bargain purchase is recognized directly in the consolidated statements of profit or loss and other comprehensive income.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Any contingent consideration will be recognized at their fair value at the acquisition date. Contingent consideration is classified either as equity or as a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognized in the consolidated statements of profit or loss and other comprehensive income. The contingent consideration that is classified as equity is not re-measured, while the subsequent settlement is accounted for within shareholders' equity.

When the Company acquires a business, it evaluates the financial assets acquired and the liabilities assumed with respect to their proper classification and designation in accordance with the contractual terms, economic circumstances and conditions pertinent to the date of acquisition

Reserves and resources acquired that can be measured reliably are recognized separately at their fair value at the time of acquisition. Other possible reserves, resources and rights, whose fair values cannot be measured reliably, are not recognized separately, but are considered as part of goodwill.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any profit or losses arising from such remeasurement are recognized in the consolidated statements of profit or loss and other comprehensive income.

The Company has up to 12 months to finalize the accounting for a business combination. Where the accounting for a business combination is not complete by the end of the year in which the business combination occurred, the Company reports provisional amounts.

As detailed in Note 32.3.4 and 32.5 during the year ended December 31, 2020, the Company acquired an additional participation in the Joint Operation Agreement ("JOA") of the Coirón Amargo Norte Joint Operation, which was accounted for as a business combination.

2.4 Summary of significant accounting policies

2.4.1 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Management Committee (the "Committee" that is considerate the "Chief Operating Decision Maker" or "CODM").

The CODM is the highest decision-making authority, responsible for allocating resources and setting the performance of the entity's operating segments and has been identified as the body that executes the Company's strategic decisions.

2.4.2 Property, plant and equipment and intangible assets

Property, plant and equipment

Property, plant and equipment is measured following the cost model whereby, after initial recognition of the asset, the asset is recognized at cost less depreciation and less any subsequent accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The cost of work in progress whose construction will extend over time includes, if applicable, borrowing costs. Any income obtained from the sale of commercially valuable production during the construction period of the asset is recognized reducing the cost of the work in progress.

Works in progress are valued according to their degree of progress and are recorded at cost, less any loss due to impairment, if applicable. Profit and losses on disposals are determined by comparing the proceeds with the carrying amount.

2.4.2.1 Depreciation methods and useful lives

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and any changes in estimate accounted is recognized on a prospective basis. An asset carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The Company depreciates drilling costs applicable to productive wells and to developmental dry holes, productive wells, machinery and installations in the oil and gas production areas according to the units of production method, by applying the ratio of oil and gas produced to estimated proved developed oil and gas reserves. The acquisition cost of property with proved reserves, including oil and gas properties, is depreciated by applying the ratio of oil and gas produced to estimated total proved oil and gas reserves. Acquisition costs related to properties with unproved reserves and unconventional resources are valued at cost with recoverability periodically assessed based on geological and engineering estimates of reserves and resources that are expected to be proved over the life of each concession and are not depreciated.

The capitalized costs related to the acquisition of property and the extension of concessions with proved reserves have been depreciated by field on a unit-of-production basis by applying the ratio of produced oil and gas to the estimated proved oil and gas reserves.

Production facilities (including any significant identifiable component) are depreciated under the unit of production method considering proved develop reserves.

The Company's remaining items of property, plant and equipment (including any significant identifiable component) are depreciated by the straight-line method based on estimated useful lives, as detailed below:

Buildings	50 years
Machinery and installations	10 years
Equipment and furniture	10 years
Vehicles	5 years
Computer equipment	3 years

Land is not depreciated.

2.4.2.2 Assets for oil and gas exploration

The Company uses the successful efforts method of accounting for its oil and gas exploration and production activities ("E&P").
This method involves the capitalization of: (i) the cost of acquiring properties in oil and gas E&P areas; (ii) the cost of drilling and equipping exploratory wells that result in the discovery of commercially recoverable reserves; (iii) the cost of drilling and equipping development wells, and (iv) the estimated asset retirement obligations.

The exploration and evaluation activity involves the search for hydrocarbon resources, the determination of its technical feasibility and the evaluation of the commercial viability of an identified resource.

According to the successful efforts method of accounting, exploration costs, such as Geological and Geophysical ("G&G") costs, excluding exploratory well costs and seismic 3D on exploitation concessions, are expensed during the period in which they are incurred.

Once the legal right to explore has been acquired, the costs directly associated with an exploration well are capitalized as intangible exploration and evaluation assets until the well is completed and the results evaluated. These costs include compensation to directly attributable employees, materials and fuel used, drilling costs, as well as payments made to contractors.

Drilling costs of exploratory wells are capitalized until it is determined that proved reserves exist and they justify the commercial development. If reserves are not found, such drilling costs are expensed as an unproductive well. Occasionally, an exploratory well may determine the existence of oil and gas reserves but they cannot be classified as proved when drilling is complete, subject to an additional appraisal activity (for example, the drilling of additional wells) but it is probable that they can be developed commercially. In those cases, such costs continue to be capitalized insofar as the well has allowed determining the existence of sufficient reserves to warrant its completion as a production well and the Company is making sufficient progress in evaluating the economic and operating feasibility of the project.

All these capitalized costs are subject to a technical, commercial and administrative review, as well as a review of impairment indicators at least once a year. When there is sufficient information from management to indicate the existence of impairment, the Company applies an impairment test according to the impairment policies describe in Note 3.2.2.

When proven oil and gas reserves are identified and the management approves the start-up, the corresponding capitalized expense is evaluated first in terms of its impairment and (if required) any loss due to impairment is recognized; then the remaining balance is transferred to oil and gas properties. With the exception of licensing costs, no amortization is charged during the phase of exploration and evaluation.

The initial estimated asset retirement obligations in hydrocarbons areas, discounted at a risk adjusted rate, are capitalized in the cost of the assets and depreciated using the units of production method. Additionally, a liability at the estimated value of the discounted amounts payable is recognized. Changes in the measurement of asset retirement obligations that result from changes in the estimated timing, amount of the outflow of resources required to settle the obligation, or the discount rate, are added to, or deducted from, the cost of the related asset.

For exchanges/swaps or parts of exchange/swaps that involve only exploration and evaluation assets, the carrying value is accounted for at the fair value of the asset given up and no gain or loss is recognized.

2.4.2.3 Rights and Concessions

The rights and concessions are recorded as part of property, plant and equipment and depleted based on production units over the total of the developed and undeveloped proved reserves of the corresponding area. The calculation of the rate of production units for the depreciation / amortization of field development costs takes into account expenditures incurred to date, together with the authorized future development expenditures.

Intangible assets

2.4.2.4 Goodwill

Goodwill is the result of the acquisition of subsidiaries and represents the excess of the acquisition cost over the fair value of the net identifiable assets acquired at the date of acquisition. After initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated from the acquisition date to each of the acquirer's cash-generating units ("CGU"), each unit represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

When the goodwill is part of CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when the gain or loss is determined.

2.4.3 Leases

The Company has lease contracts for various items of buildings, and plant and machinery, which are recognized under IFRS 16.

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment. For more information see Note 3.2.2 with respect accounting policies for evaluation the impairment of non-financial assets.

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities are remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are individually considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

2.4.4 Impairment of non-financial assets

Other non-financial assets with definite useful life are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an (i) asset's fair value less costs of disposal and; (ii) value in use.
For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows, which are largely independent of the cash inflows from other assets or groups of assets CGUs. Non-financial assets, that have been impaired are reviewed for possible reversal of the impairment at the end of each reporting period.

2.4.5 Foreign currency translation

2.4.5.1 Functional and presentation currency

Functional currency for the Company and each of its current subsidiaries and the Predecessor is the currency of the primary economic environment in which each entity operates. Functional and presentation currency of all entities is the US. Determination of functional currency may involve certain judgements to identify the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions, which determined the primary economic environment.

2.4.5.2 Transaction and balances

Transactions in currencies other than the functional currency ("foreign currency") are recorded at the exchange rate on the date of each transaction. Foreign exchange profit and loss resulting from the settlement of any transaction and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of profit or loss and other comprehensive income, unless they have been capitalized.

Monetary balances in foreign currency are converted at the end of each year at the official exchange rate of each country.

2.4.6 Financial instruments

2.4.6.1 Other financial assets

2.4.6.1.1 Classification

2.4.6.1.1.1 Financial assets at amortized cost

Financial assets are classified and measured at amortized cost only if the following criteria have been met:

(i) the objective of the Company's business model is to hold the asset to collect the contractual cash flows;

(ii) the contractual terms, on specified dates, have cash flows that are solely payments of principal and interest on the outstanding principal.

2.4.6.1.1.2 Financial assets at fair value

If any of the above-mentioned criteria has not been met, the financial asset is classified and measured at fair value ("FVTPL") through consolidated statements of profit or loss and other comprehensive income.

All investments in equity instruments are measured at fair value. For equity investments that are not held for trading, the Company can choose at the moment of the initial recognition to present changes in fair value through other comprehensive income. As of December 31, 2020, 2019, and 2018, the Company does not have any equity instrument.

2.4.6.1.2 Recognition and measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

A profit or loss on a debt investment that is subsequently measured at fair value and is not part of a hedging relationship is recognized in consolidated statements of profit or loss and other comprehensive income. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in consolidated statements of profit or loss and other comprehensive income when the financial asset is derecognized or impaired and through the amortization process using the effective interest rate method.

The Company reclassifies financial assets if and only if its business model to manage financial assets is changed.

Trade receivables and other receivables are recognized at fair value and subsequently measured at amortized cost, using the effective interest method, less allowance for expected credit losses, if applicable.

Likewise, the trade receivables arising from services rendered and/or hydrocarbons delivered, but unbilled at the closing date of each reporting period are recognized at fair value and subsequently measured at amortized cost using the effective interest rate method.

2.4.6.1.3 Impairment of financial assets

The Company recognizes an allowance for Expected Credit Losses ("ECL") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables and other receivables, the Company applies a simplified approach in calculating ECL. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on ECLs at each reporting date. The Company analyzes each of its clients considering its historical credit loss experience, adjusted for forward-looking factors specific to the debtor and the economic environment.

The Company always measures the loss allowance for trade receivables at an amount equal to ECL. The expected credit losses on trade receivables are estimated on a case by case basis by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Company considers a financial asset in default when contractual payments are more than 90 days past due or when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ECLs, when applicable, are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default.

2.4.6.1.4 Offsetting of financial instruments

Financial assets and financial liabilities are presented gross in the consolidated statements of financial position unless both of the following criteria are met: (i) the Company currently has a legally enforceable right to set off the recognized amounts; (ii) and the Company intends to either settle on a net basis or realize the asset and settle the liability simultaneously. A right of set off is the Company's legal right to settle an amount payable to a creditor by applying against it an amount receivable from the same counterparty.

The relevant legal jurisdiction and laws applicable to the relationships between the parties are considered when assessing whether a current legally enforceable right to set off exists.

2.4.6.2 Financial liabilities and equity instruments

2.4.6.2.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified either as financial liabilities or as equity in accordance with the substance of the contractual and the definitions of a financial liability and an equity instrument.

A contractual agreement to issue a variable number of shares is classified as a financial liability and measured at fair value. The changes in fair value are recognized in the consolidated statements of profit or loss and other comprehensive income.

2.4.6.2.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity, and recognized at the proceeds received, net of direct issue costs.

2.4.6.2.3 Compound instruments

The component parts of compound instruments (negotiable obligations) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

The fair value of the liability component, if any, is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to other equity account. Where the conversion option remains unexercised at the maturity date of the negotiable obligations, the balance recognized in equity will be transferred to retained earnings. No profit or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the negotiable obligations are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the negotiable obligations using the effective interest method.

Reimbursable Series A Shares

After the initial recognition, the funds received from the Serie A shares, net of offer expenses, are measured subsequently at their amortized cost using the effective interest rate method. Profits and losses are recognized in the consolidated statements of profit or loss and other comprehensive income when the liabilities are written off.

The amortized cost is calculated taking into account any discount or premium in the acquisition, as well as the commissions or costs that are an integral part of the effective interest rate method. Amortization based on the effective interest rate method is included within financial results.

2.4.6.2.4 Financial liabilities

All financial liabilities are recognized initially at fair value and are subsequently measured at amortized cost using the effective interest method or at FVTPL. Borrowings are recognized initially at fair value, net of transaction costs incurred.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for trading, or (iii) designated as at FVTPL, are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

The borrowings are classified as current and non-current according to the period of cancellation of the obligation according to the contractual agreement. Those whose settlement operates within 12 months after closing are classified as current.

2.4.6.2.5 De-recognition of financial liabilities

The Company derecognizes financial liabilities when their obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in profit or loss and other comprehensive income.

When an existing financial liability is replaced with another from the same lender in substantially different terms, or the terms of an existing liability are significantly modified, such exchange or modification is treated as a de-recognition of the original liability and recognition of a new liability. The difference in the respective book values is recognized in profit or loss and other comprehensive income.

2.4.7 Revenue from contracts with customers and other income recognition

2.4.7.1 Revenue from contracts with customers

Revenue from contracts with customers arising from sale of crude oil, natural gas and Natural Gas Liquid ("NGL") is recognized at a point in time when control of the goods are transferred to the customer generally on delivery of the inventory. Revenue from contract with customers are recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Trade receivables are generally on terms of 30 days for crude oil revenues and 65 days for natural gas and NGL revenues. The Company has concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenues from the production of oil and natural gas from the joint agreements in the Company participate, are recognized when sales to customers are improved and production costs are accrued or deferred for differences between volumes taken and sold to customers and the percentage of contractual participation resulting from joint arrangement.

Based on the revenue analysis carried out by the Company's management, Note 5.1 has been broken down by (i) type of good and (ii) sales channels. All the revenues of the Company are recognized at a point in time.

2.4.7.2 Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. As of December 31, 2020, 2019, and 2018, the Company does not have any contract assets.

Trade and other receivables

A trade receivable represents the Company's right to an amount of consideration that is unconditional i.e., only the passage of time is required before payment of the consideration is due.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized. Contract liabilities are recognized as revenue when the Company performs under the contract. As of December 31, 2020, 2019, and 2018, the Company does not have any contract liabilities.

Other operating income

Other operating income mainly corresponds to services rendered to third parties that are not directly related to the main activity. The Company recognizes revenue from services rendered over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company.

2.4.7.3 Other operating income/expenses-Government Grants-Recognition of compensation for injection of surplus gas and extraordinary tariff

Grants from the Government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. There are no unfulfilled conditions or other contingencies attaching to the following grants.

The recognition of income for the injection of surplus gas is under the scope of IAS 20 since it involves a compensation as a result of the production increase committed. This item has been disclosed under Surplus Gas Injection Compensation, under Other operating income, in the statement of profit or loss and other comprehensive income. Furthermore, tax payments related to the program has been disclosed under Extraordinary tariff, under Other operating expenses, in the statement of profit or loss and other comprehensive income.

The Group did not benefit directly from any other forms of government assistance.

Interest income

Interest income is recognized using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognized using the original effective interest rate.

2.4.8 Inventories

Inventories are comprised of crude oil stock, raw materials and materials and spare parts, as describe below.

Inventories are stated at the lower of cost or net realizable value. The cost of inventories includes expenditures incurred in the production and other necessary costs to bring them to their existing location and condition. The materials and spare parts cost are determined using the Weighted Average Price Method.

The net realizable value is the estimated selling price in the ordinary course of business less the estimated direct costs to make the sale.

The assessment of the recoverable value of these assets is made at each reporting date, and the resulting loss is recognized in the consolidated statements of profit or loss and other comprehensive income when the inventories are overstated.

The part of materials and parts of important spare parts and the existing permanent maintenance equipment that the Company expects to use for more than a period, as well as those that could only be used in relation to an item of property, plant and equipment are included in the session of "Property, plant and equipment".

2.4.9 Cash and cash equivalents

For the purpose of presentation in the consolidated statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

If any, bank overdrafts are shown within borrowings in current liabilities in the consolidated statements of financial position and there are not disclosed under Cash and cash equivalents in the consolidated statements of cash flows since they are not part of the Company's cash management.

2.4.10 Shareholders' equity

Equity's movements have been accounted for in accordance with the decisions of shareholders' meetings and legal or regulatory standards.

a. Share capital

Share capital represents the share capital issued, composed of the contributions that were committed and or made by the shareholders. It is represented by shares that comprise outstanding shares at nominal value. Common shares are classified as equity.

b. Legal reserve

For VISTA, the successor Company, in accordance with the Mexican Commercial Companies Law, at least 5% of the net profit for the year must be allocated by the Company to increase the legal reserve until it reaches 20% of the share capital. As of December 31, 2020, 2019 and 2018, the Company has not created this reserve, because it had no net profit in the mentioned years.

c. Voluntary reserve (Predecessor)

This reserve results from an allocation made by the Shareholders' Meeting, whereby a specific amount is set aside to cover for the funding needs of projects and situations associated with Company policies.

d. Accumulated results

Accumulated results comprise accumulated profits or losses without a specific appropriation. Accumulated results can be distributed by the decision of Company as dividends, as long as they are not subject to legal restrictions.

These accumulated results comprise prior years' profit that were not distributed or losses, the amounts transferred from other comprehensive income and prior years´ adjustments.

For the Company, similarly, to the effects of capital reductions, these distributions will be subject to the determination of income taxes according to the applicable income tax rate, except for the re-measured contributed capital stock or if these distributions come from the net fiscal profit account ("CUFIN").

The accumulated deficit shown in the Successor entity's statement of changes in shareholders' equity as of April 4, 2018 includes the net loss of VISTA for the period beginning March 22, 2017 (inception) to April 3, 2018 mainly relating to administrative expenses and expenses relating to the IPO made in the Mexican Stock Exchange.

e. Other comprehensive income

Other comprehensive income includes gains and losses from the actuarial gains and losses for defined benefit plans and the related income tax effect.

f. Dividends distribution

Dividends distribution to Company shareholders is recognized as a liability in the financial statements in the year in which the dividends are approved by the Shareholders' Meeting. The distribution of dividends is made based on the Company's stand-alone financial statements.

The Company will not be able to pay dividends until (i) future profits absorb the retained losses and (ii) the restrictions imposed by the credit facility agreement are released, as stated in Note 18.1.

2.4.11 Employee benefits

2.4.11.1 Short-term obligations

Liabilities for contributions and salaries that are expected to be settled wholly within 12 months after the end of the period are recognized the amounts expected to be paid when the liabilities are settled and are presented as "Salaries and other social security contributions" in the consolidated statements of financial position.

The costs related to compensated absences, such as vacation, are recognized as they are accrued.

In Mexico, participation of the workers in the Company's profits ("PTU") is paid to its qualified employees, which is calculated using the same taxable as for income tax, except for the following:

(i) Neither the tax losses of previous years nor the participation in benefits paid to employees during the year are deductible.

(ii) Tax-exempt payments for employees are fully deductible in the calculation of employee benefit sharing.

2.4.11.2 Defined benefit plans

The Company has a defined benefit plan described in Note 23. Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, depending on one or more factors, such as age, years of service and compensation. In accordance with conditions established in each plan, the benefit may consist in a single payment, or in making complementary payments to those made by the pension system.

The cost of defined contribution plans is periodically recognized in accordance with the contributions made by the Company.

Labor costs liabilities are accrued in the periods in which the employees provide the services that trigger the consideration.

The defined benefit liability recognized in the consolidated statements of financial position is the present value of the defined benefit obligation net of the fair value of the plan assets, when applicable. The defined benefit obligation is calculated periodically, at least once a year at the end of each financial year, by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using future actuarial assumptions about demographic and financial variables that affect the determination of the amount of such benefits.

Actuarial profit and losses from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income (loss) in the period in which they arise, and past service costs are recognized immediately in the consolidated statements of profit or loss and other comprehensive income.

2.4.12 Borrowing costs

General and specific borrowing costs which are directly attributable to the acquisition, construction or production are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. They are included as part of the acquisition cost of said assets until such time as they are ready for the expected use or in condition of sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

For the years ended on December 31, 2020, 2019 and 2018 except for interest on lease liabilities disclosed in Note 15 the Company did not capitalize any borrowing cost as it does not have any qualifying assets.

For the period from April 4, 2018 through December 31, 2018, and for the period from January 1, 2018 through April 3, 2018, the Group nor PELSA capitalize any borrowing costs as it does not have qualifying assets or borrowing costs incurred during those periods/year.

2.4.13 Provisions and contingent liabilities

Provisions are recognized when the Company meet the following conditions: (i) has a present legal or constructive obligation as a result of a past event; (ii) it is probable that an outflow of resources will be required to settle that obligation; and (iii) the amount can be reliably estimated. Provisions are not recognized for future operating losses.

In the case of provisions where the effect of the time value of money is significant, such as those corresponding to the provisions of assets retirement obligation and for environmental remediation, the amounts of the provisions are determined as the present value of the expected of resources to pay the obligation. Provisions are discounted using a pre-tax rate that reflects current market conditions at the date of the statements of financial position and, where appropriate, the specific risks of the liability. When the discount is used, the increase in the provision due to the passage of time is recognized as financial costs.

2.4.13.1 Provision for contingencies

Provisions are measured at the present value of the expenditures expected to be required to settle the present obligation, taking into account the best available information as of the date of the financial statements based on assumptions and methods considered appropriate and taking into account the opinion of each Company's legal advisors. As additional information becomes available to the Company, estimates are revised and adjusted periodically. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

When the Company expects a part or all the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

Contingent liabilities are: (i) possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the entity; or (ii) present obligations that arise from past events but it is not probable that an outflow of resources will be required to its settlement; or whose amount cannot be measured with sufficient reliability.

The Company discloses in notes to the consolidated financial statements a brief description of the nature of material contingent liabilities (See Note 22.3).

Contingent liabilities, whose possibility of any outflow in settlement is remote, are not disclosed unless they involve guarantees, in which case the nature of the guarantee is disclosed.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.4.13.2 Provision for asset retirement obligation

The Company recognizes a provision for asset retirement obligation when there is a current legal or implicit obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

In general, the obligation arises when the asset is installed, or the land/environment is disturbed in the location of the well.

When the liability is initially recognized, the present value of the estimated costs is capitalized increasing the carrying value of the related assets for the extraction of oil and gas to the extent that they have been incurred due to the development or construction of the well.

Additional provisions that arise due to greater development or construction in the property for oil and gas extraction are recognized as additions or charges to the corresponding assets and when the decommissioning liability is originated.

Changes in estimated times or the cost of asset retirement obligation are treated prospectively by recording an adjustment to the provision and the corresponding asset.

If the change in the estimate results in an increase in the decommissioning liability and, therefore, an addition to the carrying amount of the asset, the Company considers whether or not there is an indication of impairment of the asset in an integral manner and, be so, it undergoes impairment testing. For mature wells, if the estimate of the revised value of assets for oil and gas extraction, net of asset retirement obligation provisions, exceeds the recoverable value, that part of the increase is charged directly to expenses.

Over time, the discounted liability increases with the change in present value, based on the discount rate that reflects the current market assessments and the specific risks of the liability. The unwinding of the discount is recognized in the consolidated statements or profit or loss and other comprehensive income as a financial cost.

The Company recognizes deferred tax assets with respect to the temporary difference between the asset retirement obligation provisions and the corresponding deferred tax liability.

2.4.13.3 Provision for environmental remediation

Provisions for environmental costs are recognized when it is probable that a cleanup will be carried out and the estimated costs can be estimated reliably. Generally, the timing of recognition of these provisions concurs with the commitment of a formal action plan or, if it is before, at the time of the divestment or the closure of the inactive sites.

The amount recognized is the best estimate of the required expense to settle the obligation. If the effect of the value of money over time is material, the recognized value is the present value of the estimated future expense. The effect of such estimate is recognized in the consolidated statements of profit or loss and other comprehensive income.

2.4.14 Income tax and minimum presumed income tax

2.4.14.1 Current and deferred income tax

The tax expenses for the period/year include current and deferred tax. Tax is recognized in the consolidated statements of profit or loss and other comprehensive income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period.

The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, based on amounts expected to be paid to the tax authorities. Where tax treatments are uncertain, if it is considered probable that a taxation authority will accept the Company's proposed tax treatment, income taxes are recognized consistent with the Company's income tax filings. If it is not considered probable, the uncertainty is reflected using either the most likely amount or an expected value, depending on which method better predicts the resolution of the uncertainty.

Deferred income tax is recognized, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are generally recognized for all taxable temporary differences, unless they arise from recognition of a goodwill.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available and can be used against temporary differences. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that enough taxable profits will be available to allow all or part of the asset to be recovered.

Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred income tax is provided on temporary differences from investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset the recognized amounts and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Current and deferred tax assets and liabilities have not been discounted and are stated at their nominal values.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Income tax rates prevailing as of December 31, 2020, 2019 and 2018 in Argentina and Mexico are 30% (see Note 33).

2.4.14.2 Minimum presumed income tax

The Company's subsidiaries in Argentina calculated tax on minimum presumed income tax applying the 1% tax rate to taxable assets estimated at the end of each reporting period until the year ended December 31, 2018.

This tax is complementary to income tax in Argentina. The Company and the subsidiaries in Argentina's tax liability is the higher between the liability of income tax and the liability determined as explained above for this tax.

However, if the minimum presumed income tax exceeds income tax during one fiscal year, such excess may be offset against any income tax excess over the minimum presumed income tax that may be generated in the following ten years.

On July 22, 2016, Law No. 27,260 was published, which eliminates the minimum presumed income tax for the years beginning on January 1, 2019.

The Company has registered an asset for minimum presumed income tax included in trade and other receivables for 1,034. It may be charged against taxable profits generated until December 31,2028.

2.4.15 Share-based payments

Employees (including senior executives) of the Successor Company may receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model (See Note 34).

That cost is recognized in employee benefits expense, together with a corresponding increase in equity ("Shared-based payments"), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the consolidated statements of profit or loss and other comprehensive income for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. When an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The possible dilutive effect of outstanding options is reflected, as applicable; in the computation of diluted earnings per share (further details are given in Note 12).

On March 22,2018 the Company approved a Long Term Incentive Plan ("LTIP") consisting of a plan to provide for the Company and its subsidiaries to attract and retain talented persons as officers, directors, employees and consultants. The LTIP include the following mechanisms for rewarding and retaining key personal (i) Stock Option Plan, (ii) Restricted Stock Units and; (iii) Performance Restricted Stock and therefore accounted under IFRS 2 Shared based payments as detailed above.

a) Stock Option ("SOP") (equity-settled)

The stock option plan gives the participant the right to buy a quantity of shares over certain period of time.The cost of the equity-settled share purchase plan is measured at grant date, taking into account the terms and conditions on which the share options were granted. The equity-settled compensation cost is recognized in the consolidated statements of profit or loss and other comprehensive income under the caption of share-based payments, over the requisite service period.

b) Restricted Stock (equity-settled)

Certain key employees of the Company receive additional benefits for free or a minimum value once the conditions are achieved through a share purchase plan denominated in Restricted Stock ("RSs"), which has been classified as an equity-settled share-based payment. The cost of the equity-settled share purchase plan is measured at grant date, taking into account the terms and conditions on which the share options were granted. The equity-settled compensation cost is recognized in the consolidated statements of profit or loss and other comprehensive income under the caption of share-based payments over the requisite service period.

c) Performance Restricted Stock (equity settled)

The Company grants Performance Restricted Stock ("PRSs") to key employees, which entitle them to receive PRSs after having attained certain performance goals over a service period. PRS is classified as an equity-settled share-based payment. The cost of the equity-settled share purchase plan is measured at grant date, taking into account the terms and conditions on which the share options were granted. The equity-settled compensation cost is recognized in the consolidated statements of profit or loss and other comprehensive income under the caption of share-based payments, over the requisite service period. As of December 31, 2020, 2019, and 2018 the Company has not granted any PRSs.

2.4.16 Going concern

The COVID-19 outbreak is currently having an indeterminable adverse impact on the world economy. The Group is facing a new oil market scenario with significant reduction in demand and oil prices due to extreme COVID-19 containment measures.

The Group immediately took decisive measures, such as reducing the 2020 work program, by adjustments to capital investment plans, including renegotiation of investment commitments, financing and lease agreements during 2020, and continuous monitoring of operating and administrative costs. Additionally, different effects of the pandemic have been taken into consideration for the purposes of the estimates and judgments used in these financial statements, such as those related to future prices; risk analysis of recoverability of accounts receivable; liquidity risk analysis; among others.

In May 2020 and in the framework of the public emergency and the international crisis derived from COVID-19, the Argentine Executive Branch issued Decree No. 488/2020 establishing a reference price for deliveries of crude oil in the Argentine market equivalent to 45 US/ oilfield barrel ("bbl"). As of December 31, 2020, Decree No. 488/2020 is no longer in force, because "Ice Brent First Line" price exceed 45 US/bbl for 10 consecutive days in August 2020. (See Note 2.5.1.2).

Likewise, under this current challenging scenario compliance with commitments will continue to be monitored. In the event of any default, creditors may choose to declare indebtedness, together with accrued interest and other charges.

The Board of Directors regularly monitor the Group's cash position and liquidity risks throughout the year to ensure that it has sufficient funds to meet forecast operational and investment funding requirements. Sensitivities are run to reflect latest expectations of expenditures, oil and gas prices and other factors to enable the Group to manage the risk of any funding short falls and/or potential debt covenant.

Considering macroeconomic environment conditions, where a recovery in international crude oil prices is observed, the performance of the operations and the Group's cash position, as of December 31, 2020, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to meet all its obligations for the foreseeable future. For this reason, the Directors have continued to adopt the going concern basis in preparing the consolidated financial statements.

2.5 Regulatory framework

A- Argentina

2.5.1 General

2.5.1.1 Decree No. 297/2020

Consistent with recommendations that World Health Organization ("WHO") urged to be taken by all countries affected by the COVID-19 pandemic, the Argentine Executive Branch issued Decree of Necessity and Urgency ("DNU") No. 297/2020 that established the "social, preventive and obligatory isolation" in order to protect public health. This measure has been extended by successive Decrees, the last of these is the being DNU No. 168/2021. This period may continue to be extended for the time considered necessary for the epidemiological situation.

This Decree establishes as part of the measures to mitigate the spread and transmission of the virus, the immediate suspension of non-essential activities in the public, private and social sectors; and establishes certain exceptions, like minimum guards that ensure the operation and maintenance of oil and gas fields; oil and gas treatment and refining plants; transportation and distribution of electrical energy, liquid fuels, oil and gas; fuel vending stations and generators electric power.

2.5.1.2 Decree No. 488/2020

On May 19, 2020, the Argentine Executive Branch issued Decree No. 488/2020 (the "Decree"), which establishes a reference price for deliveries of crude oil in the Argentine market equivalent to 45 US/ bbl, with effect from May 19 until December 31, 2020 (the "Term of Validity").

Said Reference Price which was established in the Article 1 of Decree, will be in force as long as "Ice Brent First Line" price does not exceed 45 US/bbl for 10 consecutive days. As of December 31, 2020, Article 1 of Decree No. 488/2020 is no longer in force, because "Ice Brent First Line" price exceeded 45 US/bbl for 10 consecutive days in August 2020.

During the Term of Validity, the Company must: (i) maintain the levels of activity and / or production registered in the previous year; (ii) maintain contracts with regional contractors and suppliers; (iii) maintain the current workforce as of December 31, 2019.

2.5.2. Oil and gas

2.5.2.1 Regulatory framework for hydrocarbon activity in Argentina

In the Argentine Republic, the activity of exploration, exploitation, transport and commercialization of hydrocarbons is governed by Law No. 17,319, as amended by Law No. 27,007.

The main changes introduced by Law No. 27,007 are detailed below:

(i) It establishes terms for exploration permits and exploitation and transportation concessions, making a distinction between conventional and unconventional, and continental shelf and territorial sea reservoirs.

(ii) The 12% payable as royalties to the grantor by exploitation concessionaires on the proceeds derived from liquid hydrocarbons extracted at wellhead and the production of natural gas will remain effective. In case of extension, additional royalties for up to 3% on the royalties applicable at the time of the first extension, up to a maximum of 18%, will be paid for the following extensions.

(iii) It restricts the National Government and the Provinces from reserving new areas in the future in favor of public or mixed companies or entities, irrespective of their legal form. Thus, contracts entered into by provincial companies for the exploration and development of reserved areas before this amendment are safeguarded.

The Province of Neuquén has its own Hydrocarbons Law No. 2,453. Therefore, the assets that the Company owns in the Province of Neuquén are governed by that Law, while the others, located in the Province of Santa Cruz, Rio Negro and Salta are governed by Law No. 17,319 and its modifications

2.5.2.2 Need and Urgency Decree No. 566/2019

Through DNU No. 566/2019 dated August 15, 2019, and effective as of August 16, 2019 (the "Decree 566/2019"), the government of the Argentine Republic determined that during the period covered from the entry into force of Decree 566/2019 until the ninety (90) calendar days following it (the "Term"):

(i) deliveries of crude oil made in the local market during the Term must be billed and paid at the agreed price between the producing and refining companies as of August 9, 2019, applying a reference exchange rate of Argentine Pesos ("ARS") 45.19/US and a Brent reference price of 59.00 US/bbl;

(ii) that the maximum price of gasoline and diesel in all its qualities, marketed by refining companies and / or wholesale and / or retail retailers in the country, in all sales channels, during the Term, may not be higher than the current price as of August 9, 2019;

(iii) that during the Term, the refining companies and the wholesale and retail retailers of the country must cover, at the prices established in Decree 566/2019, the total national demand for liquid fuels in the Argentine Republic, in accordance with the volumes that are required from the usual practices of the Argentine market, providing on a regular and continuous basis to each and every one of the areas that make up the territory of the Argentine Republic; and

(iv) the hydrocarbon producing companies of the Argentine Republic, must cover the total demand for crude oil that is required by the Argentine market refining companies, providing on a regular and continuous basis to all refineries located in the territory of the Argentine Republic.

On August 20, 2019, the Company requests in the Federal Administrative courts a precautionary measure to the immediate suspension of Articles 1 and 4 of Decree 566/2019 that imposed maximum prices for the sale of crude oil in the local market and the obligation to supply it, all in order to avoid damages on the operations and financial results of the Company.

On December 3, 2019, the Company withdrew of the precautionary measure and the case was filed on September 15, 2020. As of the date of these consolidated financial statements, the Term of this Decree has ended.

2.5.2.3 Decree No. 601/19

By Decree No. 601/19, dated August 30, 2019, the provisions of Decree 566/2019 were modified, establishing that:

(i) until November 13, 2019 deliveries of crude oil made in the local market need to be invoiced and paid at the agreed price between the producing and refining companies as of August 9, 2019, applying a reference exchange rate of 46.69 ARS/US and a Brent reference price of 59 US/bbl.; and

(ii) the maximum price of gasoline and diesel in all its qualities, marketed by the refining companies and the wholesale and retail retailers, whose final destination is the public supply through fuel pumps may not be higher than the current price as of August 9, 2019.

As of the date of these consolidated financial statements, the Term of this Decree has ended.

2.5.2.4 Resolution 557/2019

Through Resolution 557/2019, of the Secretariat of Energy ("SE") on September 19, 2019, it was determined that:

(i) during the term of Decree No. 601/2019, the prices of gasoline and diesel in all its qualities, marketed by refining companies and wholesale and retail retailers, whose final destination is the public supply through fuel pumps can increase in up to 4% with respect to the prices in force as of August 9, 2019; and

(ii) during the term of Decree No. 601/2019 deliveries of crude oil made in the local risk market will be invoiced and paid at the agreed price between the producing and refining companies as of August 9, 2019, applying a reference exchange rate of 49.30 ARS/ US, equivalent to 5.58% increase over the current reference value, and a Brent reference price of 59 US/bbl.

As of the date of these consolidated financial statements, the Term of the said Resolution has ended.

2.5.3 Gas Market

During the last few years, the Argentine Government has created different programs seeking to encourage and increase gas injection into the domestic market.

2.5.3.1 Natural Gas Surplus Injection Promotion Program for Companies with Reduced Injection (the "IR Program")

In November 2013, pursuant to Resolution No. 60/13, the Commission created the IR Program covering companies with no previous production or with a 3.5 MMm3/day production cap, establishing price incentives for production increases and NGL importation penalties in case of breach of the committed volumes. Furthermore, companies benefiting from this Program and meeting the applicable conditions may request the interruption of their participation in that program and their incorporation into the current one. Resolution No. 60/13 (as amended by the Secretariat of Energy Resolution N° 22/14 and N° 139/14), established a price ranging from 4 US/ Millions of British Thermal Unit ("MMBTU") to 7.5 US/MMBTU, based on the highest production curve attained. The IR Program had a validity date until December 2017.

On March 6, 2014 and January 30, 2015, PELSA was registered with this program pursuant to Resolutions No. 20/14, of the Secretariat of Economic Policies and Development Planning of the Ministry of Economy and Public Finances.

On January 4, 2016, the Executive Branch Decree No. 272/15 dissolved the Commission created pursuant to Executive Decree No. 1,277/12 and provided that the powers assigned to it would be exercised by the Ministry of Energy and Mining ("MEyM").

On May 20, 2016, Executive Decree No. 704/16 authorized the delivery of bonds denominated in U.S. Dollars issued by the Argentine Government (BONAR 2020) for a face value of 6,211 for the settlement of amounts outstanding as at December 31, 2015 under the Program. Furthermore, the Executive Decree imposed restrictions on the transferability of such bonds, with a limit of up 3% per month without penalty until December 31, 2017, except to subsidiaries and/or affiliates, and required the filing of information on a monthly basis.

On April 3, 2018, the MEyM issued Resolution No. 97/18 approving the procedure for the settlement of the outstanding compensations under this program. The beneficiary companies that elected for the application of the procedure included in the aforementioned resolution must declare their adhesion to it within the term of twenty business days, waiving all right, action, appeal and claim, present or future, both in administrative and judicial jurisdiction, in relation to the payment of the obligations arising from the Program.

On May 2, 2018, the Group filed with the MEyM the adhesion form, stating its consent and acceptance of the terms and scope of the aforementioned resolution. The balances outstanding as of December 31, 2017, subject to this settlement, amount to 14,366 for PELSA and 4,667 for APCO Argentina Branch that was acquired in April 4, 2018 (Note 32). The resolution establishes an estimated compensation amount of 13,569 for PELSA and of 4,700 for APCO Argentina Branch due to the recognition of higher amounts in terms of U.S. dollars than the original amounts in Argentine pesos converted at the prevailing exchange rate. The settlement procedure foreseen by the Resolution establishes that the amounts will be paid in thirty equal monthly and consecutive installments as from January 1, 2019. Because of this resolution, the Group recognized during the period beginning April 4, 2018 through December 31, 2018, a net loss of approximately 1,760 for the receivable recognized, the Extraordinary canon on SGIC and the recognition of the present value of this receivable according to the new terms net of the gain recognized on the present value of the liability of the Extraordinary canon within financial results. The balance outstanding as of December 31, 2018 is 15,948 and is included in Note 16.

On July 1, 2019, through Resolution No. 358/19, the Company was notified by the Ministry of Energy of the credit cancellation plan linked to the IR Program. Which according to said resolution will be canceled with bonds issued by the National State ("Gas Natural Program Bonds") denominated in US to be amortized within a maximum term of thirty (30) installments.

During the year ended December 31, 2019, the Company has received 20,663 in Gas Natural Program Bonds, of which8,266 and 8,257 have been amortized during the years ended December 31, 2020 and 2019, respectively. As of December 31, 2020, and 2019, the accounts receivable registered by the Company related to the program amounts to 4,012 and 11,397 of present value (4,140 and 12,406 of nominal value). See Note 17.

2.5.3.2 Promotion Plan for the Production of Argentine Natural Gas – Supply and Demand Framework 2020-2024 ("Gas Plan IV")

On November 13, 2020 through of Decree No. 892/2020, the Argentine Executive Branch approved the Gas Plan IV, declaring the promotion of natural gas production a priority and national public interest.

Through Resolution No. 317/2020 of the SE, it invited natural gas producing companies to a National Public tender for the award of a total base natural gas volume of 70 MMm3/day each year; and an additional volume for each of the winter periods.

On December 15, 2020, through Resolution No. 391/2020, the SE awarded the volumes and prices; which means the subsequent conclusion of contracts with Compañía Administradora del Mercado Mayorista Eléctrico S.A. and other distribution licensees or sub-distributors, for the supply of natural gas for electric power generation and for residential consumption, respectively.

The Company, through its subsidiary in Argentina, was awarded with a base volume of 0.86 MMm3/day, at an annual average price of 3.29 US/MMBTU for a period of four years, starting on January 1, 2021.

2.5.3.3 Agreement for gas supply to distributors

On November 29, 2017, PELSA, together with the main Argentine gas producers, executed with the MEyM the terms for the supply of natural gas to distributors aiming to establish basic conditions for the purchase of gas supply by distributors, effective from January 1, 2018 through December 31, 2019 (the "transition period").

Moreover, it established the continuity of the gradual and progressive path of reduction of subsidies, all within the framework of the process of normalization of the natural gas market, which occurs within the period of validity of such Terms and Conditions until December 31, 2019 considered as the "transition period" until the price of natural gas supply agreements will be the price resulting from the free interaction of supply and demand.

The guidelines established in the Terms and Conditions include, among others, the recognition of the right to transfer to the gas canon the cost of gas acquisition paid by users and consumers; establishes the available volumes that each producer and each basin must make available daily to the distributors for each month, who may express their lack of interest before a certain date set forth in the Terms and Conditions; establishes penalties for non-compliance for any of the parties regarding their obligation to deliver or take gas; establishes gas prices for each basin for the next two years between 2018 and 2019, in US dollars, the parties being able to set prices lower than those established under the applicable free negotiations; establishes payment guidelines for the purchases made by the Distributors to producers; ENARSA assumes the obligation to supply the demand corresponding to areas reached by the subsidies of residential gas consumption contemplated in article 75 of Law 25,565 (corresponding to the areas of lower price of residential gas charged to users and consumers), during the period of transition.

The Terms and Conditions constitute the terms and conditions to consider in the negotiations of their respective individual agreements, without this being construed as an obligation. Additionally, the Terms and Conditions establish guidelines for early termination in the event of non-compliance by the parties.

2.5.4 Oil Market

2.5.4.1 Oil Plus Program ("Petróleo Plus")

The Company participated in the Oil Plus Program, which provided for certain incentives to production companies. On July 13, 2015, the Decree No. 1,330/15 abrogated this program created by Decree No 2,014/2008, which rewarded oil production companies that have increased production and reserves and provided that incentives pending liquidation would be settled through the issuance of Government bonds. On November 30, 2016, Decree No. 1,204/16 was published in the Official Gazette, expanding the issuance of Government bonds for the same purpose.

On September 15, 2015, the Company received the amount of 2,020 with BONAD 2018 bonds with a face value of one US each and the amount of 8,081 with BONAR 2024 bonds with a nominal value of one US each, based on Decree No 1,330/2015 mentioned above.

2.5.5 Royalties and other canons

Royalties are applied to total production of conventional and unconventional concessions and are calculated by applying 12% to production to the sale price, after discounting certain expenses in order to bring the value of cubic meters of crude oil, natural gas and liquefied gas at a price from wellhead. Royalties are recorded at the consolidated statements of profit or loss in cost of sales.

As part of the extension agreement of the concession mentioned in Note 30.3, an extraordinary canon on production of 3% is included for conventional areas of Entre Lomas Bajada del Palo, Jaguel de los Machos, 25 de Mayo-Medanito S.E. and 6.5% for Agua Amarga.

B- Mexico

2.5.6. General

Consistent with recommendations that the WHO urged to be taken by all countries affected by the COVID-19 pandemic, the Mexican government, by means of Decrees dated March 30, 2020, declared the epidemic of the disease generated by the COVID-19 virus a "sanitary emergency for reasons of force majeure".

On March 31, 2020 the Mexican Federal Ministry of Health issued a decree that establishes as part of the measures to mitigate the spread and transmission of the virus, the immediate suspension of non-essential activities in the public, private and social sectors from March 30 to April 30, 2020. This Decree, among other things, provides a list of essential activities that can continue functioning, including gas and oil activities, because they are considered as fundamental sector of the economy and an indispensable service. It also considers the distribution and sale of energy as an essential activity.

This measure has been extended, and this period may continue to be extended for the time considered necessary for the epidemiological situation, determined by competent health authorities of the Federal Government and Mexico City.

2.5.7 Exploration and production activities

In 2013, Mexico introduced certain amendments to the Mexican Constitution, which led to the opening of oil, natural gas, and power sectors to private investment.

As part of energy reform, Petróleos Mexicanos ("PEMEX") was transformed from a decentralized public entity into a productive state-owned company. In August 2014, the Mexican Congress passed secondary laws to implement the reforms. The reforms allow the Mexican government to grant contracts to private-sector entities in the upstream sector through public tenders. These amendments also allow private-sector entities to obtain permits for the processing, refining, marketing, transportation, storage, import and export of hydrocarbons, including processing, compression, liquefaction, regasification, transportation, distribution, marketing and retail of natural gas, transportation, storage, distribution, marketing and retail of oil products, including NGL, and transportation (through pipelines) and related storage of petrochemicals, including ethane.

Legislation enacted in 2014 includes the Mexican Hydrocarbons Law ("Ley de Hidrocarburos*"*), which preserves the concept of state ownership over hydrocarbons while located in the subsoil but allows private companies to take ownership over hydrocarbons once they are extracted. The Mexican Hydrocarbons Law allows private-sector entities holding a permit granted by the Mexican Energy Regulatory Commission ("CRE") to store, transport, distribute, commercialize and carry out direct sales of hydrocarbons, as well as to own and operate pipelines and liquefaction, regasification, compression stations or terminals, and related equipment in accordance with technical and other regulations. In addition, private-sector entities may import or export hydrocarbons subject to a permit from the Mexican Ministry of Energy ("SENER").

Permits granted prior to the enactment of the Mexican Hydrocarbons Law, including their general terms and conditions, will remain in force during their original term, and rights held by permit-holders will not be affected by new laws and regulations. However, new permits, such as marketing permits granted by the CRE and import and export permits granted by the SENER are required.

2.5.8 Authorized Governmental Agency

The SENER is responsible for developing the country's upstream policy, including the determination of which areas will be made available through public tenders. They decide the bidding schedule and contract models that are to apply. Additionally, they approve all non-fiscal terms of the contract. The Ministry of Finance ("Secretaria de Hacienda y Crédito Público" or "SHCP") approves all fiscal terms that apply to the contracts. SHCP also participates in the audits.

The National Hydrocarbons Commission ("CNH") conducts the bidding rounds that award contracts to oil companies and consortiums of companies. They interface with PEMEX and private companies and manage all E&P contracts. Contracts for transportation, storage, distribution, compression, liquefaction, decompression, regasification, marketing, and sale of crude oil, oil products, and natural gas are granted by the CRE.

2.5.9 Market Regulations

During 2017, in accordance with the 2017 Federal Revenue Law ("Ley de Ingresos de la Federación para el Ejercicio Fiscal de 2017"), the Mexican Government gradually removed price controls on gasoline and diesel as part of the liberalization of fuel prices in Mexico. To the date of issuance of these financial statements, sales prices of gasoline and diesel have been fully liberalized and are determined by the market.

2.5.10 Federal Environmental Law

The Mexican Federal Environmental Liability Law ("Ley Federal de Responsabilidad Ambiental") enacted on July 7, 2013 regulates environmental liability arising from damages to the environment including remediation and compensation. This liability regime is independent from administrative, civil or criminal liability regimes.

2.5.11 Royalties and other canons

The consideration that must be paid to the Mexico will consist of:

a) Contractual fee for the exploratory phase

It applies to those areas that do not have a development plan approved by the CNH and will be calculated monthly applying the installment established for each square kilometer that includes the contractual area.

b) Royalties

Royalties are applied to total production of the concessions and are calculated applying the contractual percentage to sale price. Contractual percentage can change between 40% and 45%, which will be adjusted in accordance with the provisions of the contract. There is also a variable royalty, which will be applied for each type of hydrocarbon by applying the rate corresponding to sale price. Royalties are shown in the statements of profit or loss and other comprehensive income consolidated within cost of sales.

Note 3. Significant accounting judgements estimates and assumptions

The preparation of the consolidated financial statements requires the Company's management to make future estimates and assessments, to apply critical judgment and to establish assumptions affecting the application of accounting policies and the amounts of disclosed assets and liabilities, income and expenses.

The estimates and accounting judgments used in the preparation of these consolidated financial statements are evaluated on a continuous basis and are based on past experiences and other reasonable factors under the existing circumstances. Actual future results might differ from the estimates and evaluations made at the date of preparation of these consolidated financial statements.

3.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see Note 3.2), that the management has made in the process of applying the Company's and Predecessor accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

3.1.1 Contingencies

The Company is subject to various claims, lawsuits and other legal proceedings that arise during the ordinary course of its business. The Company's liabilities with respect to such claims, lawsuits and other legal proceedings cannot be estimated with certainty. Periodically, the Company reviews the status of each contingency and assesses potential financial liability, applying the criteria indicated in Note 22.3, for which management elaborates the estimates mainly with the assistance of legal advisors, based on information available at the consolidated financial statements date, and taking into account the Company's litigation and resolution/settlement strategies.

Contingencies include outstanding lawsuits or claims for possible damages to third parties in the ordinary course of the Company's business, as well as third party claims arising from disputes concerning the interpretation of legislation.

The Company evaluates whether there would be additional expenses directly associated to the ultimate resolution of each contingency, which will be included in the provision if they may be reasonably estimated.

3.1.2 Environmental remediation

The costs incurred to limit, neutralize or prevent environmental pollution are only capitalized if at least one of the following conditions is met: (i) such costs relate to improvements in safety; (ii) the risk of environmental pollution is prevented or limited; or (iii) the costs are incurred to prepare the assets for sale and the book value (which considers those costs) of such assets does not exceed their respective recoverable value.

Liabilities related to future remediation costs are recorded when, based on environmental assessments, such liabilities are probable to materialize, and costs can be reasonably estimated. The actual recognition and amount of these provisions are generally based on the Company's commitment to an action plan, such as an approved remediation plan or the sale or disposal of an asset. The provision is recognized on the basis that a future remediation commitment will be required.

The Company measures liabilities based on its best estimation of present value of future costs, using currently available technology and applying current environmental laws and regulations as well as the Company's own internal environmental policies.

3.1.3 Business Combinations

The acquisition method involves measurement at fair value of the identifiable assets acquired and the liabilities assumed in the business combination at acquisition date.

For the purpose to determine fair value of identifiable assets, the Company uses the valuation approach considered most representative for each asset. These include the (i) income approach, through indirect cash flows (net present value of expected future cash flows) or through the multi-period excess earnings method, (ii) cost approach (replacement value of the good adjusted for loss due to physical deterioration, functional and economic obsolescence) and (iii) market approach through comparable transactions method.

Likewise, in order to determine fair value of liabilities assumed, the Company's considers the probability of cash outflows that will be required for each contingency, and elaborates estimates with assistance of legal advisors, based on the information available and taking into account the strategy of litigation and resolution / liquidation.

Management's critical judgment is required in selecting the approach to be used and estimating future cash flows. Actual cash flows and values may differ significantly from the expected future cash flows and related values obtained through the mentioned valuation techniques.

3.1.4 Joint arrangements

Judgement is required to determine when the Company has joint control over an arrangement, that requires an assessment of relevant activities and when the decisions in relation to those activities require unanimous consent. The Company has determined that relevant activities for its joint arrangements are those relating to the operating and capital decisions of the arrangement, including approval of annual capital and operating expenditure work programmed and budget for the joint arrangement, and approval of chosen service providers for any major capital expenditure as required by the joint operating agreements applicable to the entity's joint arrangements. Considerations made in determining joint control are similar to those necessary to determine control over subsidiaries, as set out in Note 2.3.1.

Judgement is also required to classify a joint arrangement. Classifying the arrangement requires the Company to assess their rights and obligations arising from the arrangement. Specifically, the Company considers:

- The structure of the joint arrangement-whether it is structured through a separate vehicle.

- When the arrangement is structured through a separate vehicle, the Company also considers rights and obligations arising from: (i)The legal form of the separate vehicle; (ii) The terms of the contractual arrangement; and (iii) Other facts and circumstances considered on a case-by-case basis.

This assessment often requires significant judgement. A different conclusion about both joint control and whether the arrangement is a joint operation or a joint venture, may materially affect the accounting, as set out in Note 2.3.3.

3.1.5 Functional currency

Functional currency for the parent entity and each of its subsidiaries is the currency of the primary economic environment in which the entity operates. Functional currency of each entity in the Company is the US. Determination of functional currency may involve certain judgements to identify the primary economic environment. The Company reconsiders functional currency of its entities if there is a change in events and conditions, which determined the primary economic environment.

3.2 Key sources of estimation uncertainty

Estimates, which have a significant risk of producing adjustments on the Company's amounts of assets and liabilities during the following year, are detailed below:

3.2.1 Impairment of goodwill

Goodwill is reviewed for impairment annually or more frequently, if events or changes in circumstances indicate the recoverable amount of the CGUs to which the goodwill relates should be assessed. In assessing whether goodwill has been impaired, the carrying amount of the CGUs to which goodwill has been allocated is compared with its recoverable amount. Where the recoverable amount of the CGUs is less than the carrying amount (including goodwill), an impairment is recognized.

The Company carries a goodwill of 28,484 on its consolidated financial statements of financial position as of December 31, 2020, 2019 and 2018 (Note 14), principally relating to the Initial Business Combination (Note 32). Goodwill generated through the PELSA and APCO business combinations (Notes 32.1 and 32.3) has been allocated to the CGU unconventional oil and gas operated in Argentina, while the goodwill generated through the JDM / Medanito business combination (Note 32.2) has been allocated to CGU conventional oil and gas operated in Argentina.

Determination as to whether a CGU or group of CGUs containing goodwill is impaired involves management estimates on highly uncertain matters including determining the appropriate grouping of CGUs for goodwill impairment testing purposes. The Company monitors goodwill for internal management purposes based on its single business segment.

In testing goodwill for impairment, the Company uses the approach described Note 3.2.2

As of December 31, 2020, 2019 and 2018 no impairment losses were recognized related with goodwill.

3.2.2 Impairment of non-financial assets other than goodwill

Non-financial assets, including identifiable intangible assets, are reviewed for impairment at the lowest level at which there are separately identifiable cash flows that are largely independent of the cash flows of other groups of assets or CGU. Once the operations from the Initial business combinations disclosed in Note 32 have been integrated, the Company has determined the following: CGUs in Argentina (i) conventional oil and gas operating concessions; (ii) unconventional oil and gas operating concessions; (iii) conventional oil and gas non-operating concessions: (iv) unconventional oil and gas non-operating concessions. Likewise, the Company has identified the following CGU in Mexico: (i) conventional non-operating oil and gas concessions; and (ii) conventional operating oil and gas concessions.

In order to evaluate if there is evidence that a CGU could be impaired, both external and internal sources of information are analyzed, whenever events or changes in circumstances indicate that the carrying amount of an asset or CGU may not be recoverable. Examples of these events are: changes in the Group's business plans, changes in the Group's assumptions about commodity prices and discount rates, evidence of physical damage or, for oil and gas assets, significant downward revisions of estimated reserves or increases in estimated future development expenditure or decommissioning costs, the cost of raw materials, regulatory framework, projected capital investments and the evolution of demand. If any such indication of impairment exists, the Group makes an estimate of the asset's or CGU's recoverable amount.

The recoverable amount of a CGU is the greater between: (i) its fair value less costs of disposal or disposal by other means and; (ii) its value in use. When the carrying amount of a CGU exceeds its recoverable amount, the CGU is considered impaired and is reduced to its recoverable amount. Given the nature of the Company's activities, information on fair value less costs of disposing of an asset or CGU is often difficult to obtain unless negotiations are being conducted with potential buyers or similar operations. Consequently, unless otherwise indicated, the recoverable amount used in the impairment assessment is the value in use.

The recoverable amount of each CGU is estimated through the present value of future net cash flows that these CGUs will generate. Business plans for each CGU, which are approved by the Company on an annual are the primary source of information for the determination of value in use.

As an initial step in the preparation of these plans, the Company sets various assumptions regarding market conditions, such as oil prices, natural gas prices, foreign currency exchange and inflation rates. These assumptions take into account existing prices, global supply-demand equilibrium for oil and natural gas, other macroeconomic factors, the effects of the COVID-19 pandemic and historical trends and variability. In assessing value in use, the estimated future cash flows are adjusted for risks specific to the assets group and are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money.

At each reporting date, an evaluation is made as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Determination as to whether, and by how much, an asset or CGU is impaired involves management estimates on highly uncertain matters such as the effects of inflation and deflation on operating expenses, discount rates, production profiles, reserves and resources, and future commodity prices, including the outlook for global or regional market supply-and-demand conditions for crude oil and natural gas. Judgement is required when determining the appropriate grouping of assets into a CGU. The actual cash flows and the values may differ significantly from the expected future cash flows and the related values obtained through discount techniques and could result in a material change to the carrying values of the Group's assets.

As a result of the analysis, the Company registered for the year ended December 31, 2020, an impairment of 14,044 related to the CGU for conventional oil and gas operating concessions in Mexico and 394 related to the CGU for non-operating conventional oil concessions and gas in Argentina.

No impairment losses or recoveries were recognized during the period from April 4, 2018 through December 31, 2018 and for the year ended December 31, 2019 (Successor), and for the period from January 1, 2018 through April 3, 2018 (Predecessor).

Key assumptions used

The calculation of value in use made by the Company for the abovementioned CGU's is more sensitive to the following assumptions:

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

	Successor December 31, 2020		Successor December 31, 2019	Successor December 31, 2018	Predecessor April 3, 2018
	Argentina	Mexico	Argentina	Argentina	Argentina
Discount rates (post-tax)	12.5%	6.3%	12.6%	11.9%	11.25%
Crude oil, NGL and natural gas prices					
Crude oil-Brent (US/bbl)					
2018	—	—	—	—	64.5
2019	—	—	—	70.0	65.0
2020	—	—	60.0	71.3	66.0
2021	48.0	48.0	60.4	69.6	65.9
2022	53.5	53.5	60.0	69.6	65.9
2023	52.0	52.0	63.0	69.6	65.9
2024	52.9	52.9	63.0	69.6	65.9
2025 - Onwards	51.9	51.9	63.0	69.6	65.9
Natural gas-Local prices (US/MMBTU)					
2018	—	—	—	—	4.60
2019	—	—	—	4.60	4.50
2020	—	—	3.5		
2021	2.3	2.3	3.5		
2022 - Onwards	3.5	2.0	3.5	4.60	4.50
NGL-Local prices (US/Tn.)					
Onwards	350	—	300	430	439

Discount rates: Discount rates represent current market assessment of risks specific to the Company, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. Discount rate calculation is based on specific circumstances of the Company and is derived from its weighted average cost of capital ("WACC"), with appropriate adjustments made to reflect risks and to determine post-tax rate. Income tax rate used is the current statutory tax rate in Argentina of 25% for 2021 onwards (See Note 33). WACC takes into account both cost of debt and cost of equity. For the calculation of WACC, public market data of certain companies that are considered similar to the Company, according to the industry, region and specialty, were used ("Comparable").

Crude oil, natural gas and NGL prices: Forecast commodity prices are based on management's estimates and available market data.

For crude oil prices, the Company considered discounts or premium depending on the quality of the crude oil or natural gas produced in each of the CGUs. The evolution of Brent prices was estimated with the median projections of analysts from different banks on the Brent Price.

In order to forecast the local price of natural gas at 9.300 kcal/m3 ("Gas Price"), given that it is decoupled from the international price of gas and is influenced by Argentina's level of supply and demand balances, management used an average of the price received for the sales of gas in each of the CGUs. The Gas Price is adjusted linearly by the calorific value of gas produced from each of the CGUs.

The Company's long-term assumption for oil prices is similar to the recent market prices reflecting judgement that recent prices are consistent with the market being able to produce sufficient oil to meet global demand sustainably in the longer term.

Production and reserves volumes: in conventional CGUs, the estimated future level of production in all impairment tests is based on proven and probable reserves, and contingent resources were also added in unconventional CGUs. Production projections and reserve assumptions were based on reserve reports audited by external consultants, and on reports prepared internally by the Company, and different success factors were additionally applied to determine the expected value of each type of reserve and / or contingent resource.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Sensitivity to changes in assumptions

With regard to the assessment of value in use as of December 31, 2020, 2019 and 2018, the Company believes that there are no reasonably possible changes in any of the above key assumptions that would cause the carrying value of the any CGU to materially exceed its recoverable amount, except for these carrying amounts:

	Sucessor As of December 31, 2020		Sucessor As of December 31, 2019	Sucessor As of December 31, 2018
	Argentina	México	Argentina	Argentina
Discount rate	+/- 100 basis points		+/- 100 basis points	+/- 100 basis points
Carrying amount [1]	- / -	(1,146) /-	- / -	- / -
Expected crude oil, natural gas and NGL prices	+/- 10%		+/- 10%	+/- 10%
Carrying amount [1]	- /(20,889)	- /(3,063)	- / -	- /(9,707)

[1] Related to the conventional oil and gas operating and non- operating concessions CGU in Argentina and conventional oil and gas operating concessions CGU in Mexico, respectively.

The sensitivity analysis presented above may not be representative of the actual change in the carrying amount as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

As of December 31, 2020, December 31, 2019 and December 31, 2018, the net book value of property, plant and equipment and intangible assets are shown in Note 13, 14 and 15, respectively.

The triggers for the impairment tests of the CGUs were primarily the effect of variability of prices, the macroeconomic situation of Argentina during those periods and variability of the discount rate. The recoverable amount was based on the Company's estimate of the value in use ("VIU") as of December 31, 2020, December 31, 2019, December 31, 2018 and April 3, 2018.

3.2.3 Current and deferred Income tax—Minimum presumed income tax

The Company's management has to assess regularly the positions stated in the tax returns as regards those situations where the applicable tax regulations are subject to interpretation and, if necessary, establish provisions according to the estimated amount that the Company will have to pay to the tax authorities. When the final tax result of these items differs from the amounts initially recognized, those differences will have an effect on the income tax and on the deferred tax provisions in the fiscal year when such determination is made.

There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for eventual tax claims based on estimates of whether additional taxes will be due in the future.

Deferred tax assets are reviewed at each reporting date and reduced in accordance with the probability that the sufficient taxable base will be available to allow for the total or partial recovery of these assets.

Deferred tax assets and liabilities are not discounted. In assessing the realization of deferred tax assets, management considers that it is likely that a portion or all deferred tax assets will not be realized. The ultimate realization of deferred tax assets depends on the generation of future taxable income in the periods in which these temporary differences become deductible. To make this assessment, management takes into consideration the scheduled reversal of deferred tax liabilities, the projections of future taxable profits and tax planning strategies.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These estimates of future taxable profits are based on forecast cash flows from operations (which are impacted by production and sales volumes, oil and gas prices, reserves, operating costs, decommissioning costs, capital expenditure, dividends and other capital management transactions) and judgement about the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted. In addition, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

3.2.4 Asset retirement obligations

Asset retirement obligations after completion of operations require the Company's management to estimate the number of wells, long-term well abandonment costs and the time remaining until abandonment. Technology, costs, political, environmental and safety considerations constantly change and may result in differences between actual future costs and estimates.

Asset retirement obligations estimates are adjusted by the Company when it is justified by changes in the evaluation criteria or at least once a year.

The carrying amount as of December 31, 2020, December 31, 2019 and December 31, 2018 of the asset retirement obligation is 23,933, 21,748 and 16,253, respectively. (See Note 22.1)

3.2.5 Oil and gas reserves

Oil and gas properties are depreciated using the units of production ("UOP") method over total proved developed hydrocarbon reserves. Reserves mean oil and gas volumes that are economically producible, in the areas where the Company operates or has a (direct or indirect) interest and over which the Company has exploitation rights, including oil and gas volumes related to those service agreements under which the Company has no ownership rights on the reserves or the hydrocarbons obtained and those estimated to be produced for the contracting company under service contracts.

The life of each item of property, plant and equipment, which is assessed at least annually, has regard to both its physical life limitations and present assessments of economically recoverable reserves of the field at which the asset is located.

There are numerous uncertainties in estimating proved reserves and future production profiles, development costs and prices, including several factors beyond the producer's control. Reserve engineering is a subjective process of estimating underground accumulations involving a certain degree of uncertainty. Reserves estimates depend on the quality of the available engineering and geological data as of the estimation date and on the interpretation and judgment thereof.

Reserve estimates are adjusted when is justified by changes in the evaluation criteria or at least once a year. These reserve estimates are based on the reports of oil and gas consulting professionals.

The Company uses the information obtained from the calculation of reserves in the determination of depreciation of assets used in the areas of oil and gas, as well as assessing the recoverability of these assets (Note 3.2.1, Note 3.2.2, Note 13 and Note 36).

3.2.6 Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including expected life of the share option, volatility and dividend yield and making assumptions about them.

For measurement of the fair value of SOP with employees at the grant date, the Company uses a Black & Sholes model. The carrying amount, assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 34.

Note 4. Segment information

The CODM is responsible for the allocation of resources and evaluating the performance of the operating segment. The Committee monitors operating results and performance indicators of its oil and gas properties on an aggregated basis, with the purpose of making decisions about allocation of resources, global negotiation with suppliers and the way agreements are managed with customers.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

The Committee considers the exploration and production of natural gas, NGL and crude oil as one single segment (includes all upstream business), through its own activities, subsidiaries and shareholdings in joint operations, and based on the business nature, customer portfolio and risks involved. The Company did not aggregate any segment, as it has only one.

For the years ended December 31, 2020 and 2019 the Company generated 99% and 1% of its revenues related to assets located in Argentina and Mexico, respectively.

For the period from April 4, 2018 through December 31, 2018 (Successor) and January 1, 2018 through April 3, 2018 (Predecessor), all its revenues and operations are derived from external Argentine customers, the depreciation of oil and gas properties and property, plant and equipment is fully associated with Argentina.

The subsidiaries' accounting policies to measure results, assets and liabilities of the segment are consistent with that used in these consolidated financial statements.

The following table summarizes non-current assets by geographic area:

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Argentina	1,086,308	982,397	871,313	260,547
Mexico	18,468	30,165	29,684	—
Total non-current assets	**1,104,776**	**1,012,562**	**900,997**	**260,547**

Note 5. Revenue from contracts with customers

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Sales of goods	273,938	415,976	331,336	44,463
Revenue from contracts with customers	**273,938**	**415,976**	**331,336**	**44,463**
Recognized at a point in time	**273,938**	**415,976**	**331,336**	**44,463**

The Company's transactions and the main revenues steams are described in Note 2.4.7. The Company's revenues are derived from contracts with customers.

5.1 Disaggregated revenue information

Types of goods	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Revenue from crude oil	236,596	338,272	260,079	31,501
Revenue from natural gas	33,575	71,524	65,164	11,418
Revenue from NGL	3,767	6,180	6,093	1,544
Total revenue from contracts with customers	**273,938**	**415,976**	**331,336**	**44,463**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Sales Channel	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Refineries	141,672	338,272	260,079	31,501
Export sales	94,924	—	—	—
Industries	17,491	39,279	51,240	8,729
Retail distributors of natural gas	13,809	26,452	10,254	—
Commercialization of NGL	3,767	6,180	6,093	1,544
Natural gas for electricity generation	2,275	5,793	3,670	2,689
Total revenue from contracts with customers	**273,938**	**415,976**	**331,336**	**44,463**

5.2 Performance obligations

The Company's performance obligations relate to transfer goods to their customers. The Company's upstream business carries out all activities relating to the exploration, development and production of oil and natural gas. Revenue from customers is generated mainly from the sale of produced oil, natural gas and NGL to third parties at a point in time.

Note 6. Cost of sales

Note 6.1 Operating expenses

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Fees and compensation for services	44,912	67,209	55,813	10,956
Salaries and social security	12,593	10,943	7,353	1,515
Consumption of materials and repairs	11,181	17,062	9,694	4,028
Easements and tariffs	8,222	9,632	7,147	1,329
Employee benefits	3,867	2,836	1,421	270
Transportation	2,351	2,914	2,204	113
Others	4,892	3,835	2,613	156
Total operating expenses	**88,018**	**114,431**	**86,245**	**18,367**

Note 6.2 Crude oil stock fluctuation

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Inventories of crude oil at the beginning of the period/year (Note 19)	3,032	2,722	2,201 [1]	1,468
Plus: Charges for the period/year				
Incorporation of inventories for acquisition of companies [2]			1,762	—
Less: Inventories of crude oil at the end of the period/year (Note 19)	(6,127)	(3,032)	(2,722)	(2,201)
Total crude oil stock fluctuation	**(3,095)**	**(310)**	**1,241**	**(733)**

(1) The inventory of crude oil acquired from PELSA for an amount of 2,201 are included in the inventories at the beginning of the period held by the Successor entity.

(2) This amount includes the inventory of crude oil acquired from APCO and acquired from the 3.85%. There was no inventory acquired from JdM nor Medanito.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Note 7. Selling expenses

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Transportation	10,395	9,596	5,878	787
Taxes, rates and contributions	6,014	13,115	10,349	1,506
Fees and compensation for services [1]	4,603	50	158	101
Tax on bank transactions	3,033	4,495	4,390	648
(Reversal) /Allowances for expected credit losses (Note 16)	(22)	(118)	539	49
Others	—	—	27	—
Total selling expenses	**24,023**	**27,138**	**21,341**	**3,091**

[1] For the year ended December 31, 2020, includes 4,367 of crude storage services.

Note 8. General and administrative expenses

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Share-based payments expense	10,494	10,655	4,021	—
Salaries and social security	8,882	10,958	6,493	375
Fees and compensation for services	6,466	9,603	9,067	67
Employee benefits	4,984	6,055	2,366	253
Institutional advertising and promotion	1,215	1,179	272	—
Taxes, rates and contributions	740	1,718	951	18
Depreciation of property, plant and equipment	—	—	—	518
Others	1,137	2,232	1,032	235
Total general and administrative expenses	**33,918**	**42,400**	**24,202**	**1,466**

Note 9. Exploration expenses

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Geological and geophysical expenses	646	676	637	44
Salaries and social security charges	—	—	—	74
Employee benefits	—	—	—	16
Total exploration expenses	**646**	**676**	**637**	**134**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Note 10. Other operating income and expenses

Note 10.1 Other operating income

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Other income for services [1]	3,924	3,165	2,699	763
Bargain purchase on business combination (Note 32)	1,383	—	—	—
Surplus Gas Injection Compensation (SGIC)	—	—	—	291
Others	266	—	—	186
Total other operating income	**5,573**	**3,165**	**2,699**	**1,240**

(1) Corresponds to services which are not directly connected with the main activity of the Company.

10.2 Other operating expenses

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Restructuring expenses [1]	(3,469)	(3,244)	(12,018)	—
Reorganization expenses	(1,417)	—	—	—
Reversal / (Allowance) Provision for materials and spare parts	627	(972)	(1,125)	—
Provision for environmental remediation (Note 22.2)	(463)	(816)	(1,168)	—
Provision for contingencies (Note 22.3)	(267)	(422)	(240)	(2)
Transaction cost related to the business combinations (Note 32)	—	—	(2,380)	—
Extraordinary tariff on SGIC	—	—	—	(133)
Others	—	(726)	(1,166)	—
Total other operating expenses	**(4,989)**	**(6,180)**	**(18,097)**	**(135)**

(1) The Company recorded restructuring charges that includes payments, fees and other transaction costs; connected with modifications in the structure of the Group.

Note 11. Financial results

11.1 Interest income

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Financial interests	822	1,328	2,125	—
Interests on government notes at amortized costs	—	2,442	407	239
Total interest income	**822**	**3,770**	**2,532**	**239**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

11.2 Interest expense

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Borrowings interest (Note 18.2)	(47,923)	(34,159)	(15,546)	—
Other interest	—	(4)	(200)	(23)
Total interest expense	**(47,923)**	**(34,163)**	**(15,746)**	**(23)**

11.3 Other financial results

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Costs of early settlements of borrowings and amortized costs (Note 18.4)	(2,811)	(2,076)	(14,474)	—
Changes in the fair value of Warrants (Note 18.5.1)	16,498	6,840	(8,860)	—
Foreign currency exchange difference, net	3,068	(2,991)	3,005	(995)
Effect of discount of assets and liabilities at present value	(3,432)	(10)	(2,743)	—
Impairment of financial assets	(4,839)	—	—	—
Changes in the fair value of the financial assets	(645)	873	1,415	69
Interest expense leases (Note 15)	(1,641)	(1,561)	—	—
Unwinding of discount on asset retirement obligation (Note 22.1)	(2,584)	(1,723)	(897)	(233)
Others	633	(67)	(366)	—
Total other financial results	**4,247**	**(715)**	**(22,920)**	**(1,159)**

Note 12. (Loss) / Profit per share

a) Basic

Basic profit (loss) per share are calculated by dividing the results attributable to the Company's and its Predecessor's equity interest holders, respectively, by the weighted average of outstanding common shares during the period / year of the Company and its Predecessor, respectively.

b) Diluted

Diluted profit (loss) per share are calculated dividing the net (loss) / earnings by the weighted average number of common shares of the Company and its Predecessor, respectively, outstanding during the period, plus the weighted average number of common shares with dilution potential.

Potential common shares will be deemed dilutive only when their conversion into common shares may reduce the profit per share or increase losses per share of the continuing business. Potential common shares will be deemed anti-dilutive when their conversion into common shares may result in an increase in the profit per share or a decrease in the losses per share of the continuing operations.

The calculation of diluted profit (loss) per share does not entail a conversion, the exercise or another issuance of shares which may have an anti-dilutive effect on the losses per share, or where the option exercise price is higher than the average price of common shares during the period, no dilutive effect is recorded, being the diluted profit (loss) per share equal to the basic.

As of April 3, 2018, the Predecessor Company does not hold any potential dilutive shares nor any antidilutive potential share; therefore, there are no differences with the basic earnings (loss) per share.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

	Predecessor For the period from January 1, 2018 through April 3, 2018
Net (loss) for the period	(6,649)
Weighted average number of outstanding common shares	95,443,572
Basic and diluted (losses) per common share (US per share)	**(0.070)**

As of December 31, 2018, 2019 and 2020, the Successor Company has shares that can potentially be dilutive.

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018
Net (loss) for the period/year	(102,749)	(32,723)	(26,382)
Weighted average number of outstanding common shares	87,473,056	80,068,287	70,409,317
Basic and diluted (loss) per common share (US per share)	**(1.175)**	**(0.409)**	**(0.375)**

As of December 31, 2018, the Successor Company has the following potential common shares that are anti-dilutive and are therefore excluded from the weighted average number of common shares for the purpose of diluted profit/(loss) per share:

(i) 21,666,667 Series A shares related to the 65,000,000 to the Series A Warrants (See Note 18.3);

(ii) 9,893,333 Serie A shares related to the 29,680,000 related to the Sponsor Warrants (See Note 18.3);

(iii) 1,666,666 Serie A shares related to the 5,000,000 Forward Purchase Agreement ("FPA") (See Note 18.3);

(iv) 500,000 Series A shares, related to a certain private subscription agreement (See Note 18.3), and

(v) 8,750,000 Series A shares to be used pursuant to the LTIP for employee (See Note 34).

As of December 31, 2019, the Successor Company has the following potential common shares that are anti-dilutive and are therefore excluded from the weighted average number of common shares for the purpose of diluted (loss) / profit per share:

(i) 21,666,667 Series A shares related to the 65,000,000 to the Series A Warrants (See Note 18.3);

(ii) 9,893,333 Serie A shares related to the 29,680,000 related to the Sponsor Warrants (See Note 18.3);

(iii) 1,666,666 Serie A shares related to the 5,000,000 Forward Purchase Agreement ("FPA") (See Note 18.3);

(iv) 8,432,068 Series A shares to be used pursuant to the LTIP for employee (See Note 34).

As of December 31, 2020, the Company has the following potential common shares that are anti-dilutive and are therefore excluded from the weighted average number of common shares for the purpose of diluted (loss) / profit per share:

(i) 21,666,667 Series A shares related to the 65,000,000 to the Series A warrants (See Note 18.3);

(ii) 9,893,333 Serie A shares related to the 29,680,000 related to the sponsor warrants (See Note 18.3);

(iii) 1,666,666 Serie A shares related to the 5,000,000 Forward Purchase Agreement ("FPA") (See Note 18.3);

(iv) 7,714,286 Series A shares to be used pursuant to the LTIP for employee (See Note 34).

Due to the anti-dilutive nature of the potential common shares disclosed above there are no differences with the basic loss per share.

There have been no other transactions involving common shares or potential common shares between the reporting date and the date of authorization of these consolidated financial statements.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Note 13. Property, plant and equipment

Changes in property, plant and equipment for the years ended December 31, 2020 and 2019 and for the periods from April 4, 2018 through December 31, 2018 (Successor), and for the period from January 1, 2018 through April 3, 2018 (Predecessor) are as follows:

Cost	Land and buildings	Vehicles, machinery, installations, computer equipment and furniture	Oil and gas properties	Wells and production facilities	Work in progress	Materials	Total
As of December 31, 2017	**351**	**16,996**	**61,991**	**999,172**	**3,911**	**1,275**	**1,083,696**
Additions	—	—	—	—	3,999	4,564	**8,563**
Transfers	—	644	—	2,995	(3,639)	—	**—**
Disposals	—	—	—	(288)	—	(1,241)	**(1,529)**
As of April 3, 2018	**351**	**17,640**	**61,991**	**1,001,879**	**4,271**	**4,598**	**1,090,730**
Accumulated depreciation from business combination of PELSA to arrive to net book value	(69)	(10,698)	(50,152)	(778,061)	—	—	**(838,980)**
Additions from PELSA's acquisition (Note 32.1)	14	409	47,725	12,588	225	17	**60,978**
Additions from business combination of JdM and Medanito (Note 32.2)	1,818	1,726	—	78,298	4,254	—	**86,096**
Additions from business combination of APCO (Note 32.3)	89	2,188	300,997	73,275	1,675	2,162	**380,386**
Additions [1]	18	1,116	9,000	4,732	117,348 [2]	18,085	**150,299**
Transfers	—	3,459	—	44,090	(32,178)	(15,371)	**—**
Disposals [2]	—	(175)	(18,255))	(11,839)	(4,902)	—	**(35,171)**
As of December 31, 2018	**2,221**	**15,665**	**351,306**	**424,962**	**90,693**	**9,491**	**894,338**
Additions [1]	224	83	261	4,596	142,791	96,624	**244,579**
Transfers	—	4,697	1,509	229,244	(157,959)	(77,491)	**—**
Disposals	—	(34)	—	(112)	—	(1,170)	**(1,316)**
As of December 31, 2019	**2,445**	**20,411**	**353,076**	**658,690**	**75,525**	**27,454**	**1,137,601**
Additions [1]	11	133	—	2,197	186,230	37,317	**225,888**
Transfers	—	1,410	—	216,536	(182,199)	(35,747)	—
Disposals [2]	—	(123)	—	(366)	—	(173)	**(662)**
Impairment of long -lived assets [3]	—	—	—	(394)	—	—	**(394)**
As of December 31, 2020	**2,456**	**21,831**	**353,076**	**876,663**	**79,556**	**28,851**	**1,362,433**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Accumulated depreciation	Land and buildings	Vehicles, machinery, installations, computer equipment and furniture	Oil and gas properties	Wells and production facilities	Work in progress	Materials	Total
As of December 31, 2017	**(68)**	**(10,379)**	**(49,616)**	**(764,404)**	**—**	**—**	**(824,467)**
Depreciation and depletion charge for the period	(1)	(319)	(536)	(13,657)	—	—	**(14,513)**
As of April 3, 2018	**(69)**	**(10,698)**	**(50,152)**	**(778,061)**	**—**	**—**	**(838,980)**
Reversal of Accumulated depreciation from business combination of PELSA	69	10,698	50,152	778,061	—	—	**838,980**
Depreciation and depletion charge for the period	(14)	(1,529)	(1,426)	(71,006)	—	—	**(73,975)**
Eliminated on disposals	—	175	—	184	—	—	**359**
As of December 31, 2018	**(14)**	**(1,354)**	**(1,426)**	**(70,822)**	**—**	**—**	**(73,616)**
Depreciation and depletion charge for the year	(75)	(2,518)	(18,063)	(126,323)	**—**	**—**	**(146,979)**
Disposals	**—**	34	**—**	26	**—**	**—**	**60**
As of December 31, 2019	**(89)**	**(3,838)**	**(19,489)**	**(197,119)**	**—**	**—**	**(220,535)**
Depreciation	(187)	(3,731)	(13,884)	(121,941)	**—**	**—**	**(139,743)**
Eliminated of disposals	**—**	103	**—**	**—**	**—**	**—**	**103**
As of December 31, 2020	**(276)**	**(7,466)**	**(33,373)**	**(319,060)**	**—**	**—**	**(360,175)**
Net book value							
As of December 31, 2020	**2,180**	**14,365**	**319,703**	**557,603**	**79,556**	**28,851**	**1,002,258**
As of December 31, 2019	**2,356**	**16,573**	**333,587**	**461,571**	**75,525**	**27,454**	**917,066**
As of December 31, 2018	**2,207**	**14,311**	**349,880**	**354,140**	**90,693**	**9,491**	**820,722**

(1) Additions of work in progress of year 2018 includes wells related to Águila Mora oil and gas property for 13,157. This transaction did not generate cash flows (Note 30.3.5). Additions of wells and production facilities of the year 2019 includes 4,141 related to the reestimations of assets retirement obligation, and additions of the year 2020 includes 2,018 related to Business Combination mentioned in Note 32.

(2) Disposals of oil and gas properties of the year 2018 are related to CASO-Aguila Mora swap agreement. This transaction did not generate cash flow, and disposals of wells and production facilities of the year 2020 are related to the reestimation of assets retirement obligation.

(3) See Note 3.2.2 for the details on impairment testing of oil and gas properties.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Note 14. Goodwill and other intangible assets

Changes in goodwill and other intangible assets for the years ended December 31, 2020 and 2019 and for the periods from April 4, 2018 through December 31, 2018 (Successor), and for the period from January 1, 2018 through April 3, 2018 (Predecessor) are as follows:

		Other intangible assets		
Cost	**Goodwill**	**Software licenses**	**Exploration rights**	**Total**
As of December 31, 2017	—	**5,282**	**—**	**5,282**
Additions	—	13	—	**13**
As of April 3, 2018	—	**5,295**	**—**	**5,295**
Additions	—	1,805	29,681	**31,486**
Additions from business combinations (Note 32)	28,484	75	—	**75**
Accumulated depreciation from business combination of PELSA to arrive to net book value	—	(4,459)	—	**(4,459)**
As of December 31, 2018	**28,484**	**2,716**	**29,681**	**32,397**
Additions	—	4,225	—	**4,225**
Disposals	—	—	(278)	**(278)**
As of December 31, 2019	**28,484**	**6,941**	**29,403**	**36,344**
Additions	—	3,664	—	**3,664**
Impairment of long -live assets [1]	—	—	(14,044)	**(14,044)**
As of December 31, 2020	**28,484**	**10,605**	**15,359**	**25,964**
Accumulated amortization				
As of December 31, 2017	**—**	**(4,261)**	—	**(4,261)**
Amortization charge for the period	—	(198)	—	**(198)**
As of April 3, 2018	**—**	**(4,459)**	—	**(4,459)**
Reversal of accumulated depreciation from business combination of PELSA	—	4,459	—	**4,459**
Amortization charge for the period	—	(797)	—	**(797)**
As of December 31, 2018	—	**(797)**	—	**(797)**
Amortization charge for the year	—	(1,518)	—	**(1,518)**
As of December 31, 2019	—	**(2,315)**	—	**(2,315)**
Amortization charge for the year	—	(2,568)	—	**(2,568)**
As of December 31, 2020	—	**(4,883)**	—	**(4,883)**
Net book value				
As of December 31, 2020	**28,484**	**5,722**	**15,359**	**21,081**
As of December 31, 2019	**28,484**	**4,626**	**29,403**	**34,029**
As of December 31, 2018	**28,484**	**1,919**	**29,681**	**31,600**

(1) See Note 3.2.2.

Goodwill arises from the initial business combinations principally because the Company's ability to capture unique synergies that can be realized from managing a portfolio of the acquired oil and gas fields.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

For impairment testing purposes, the goodwill generated through the PELSA and APCO business combinations (Notes 32.1 and 32.3) has been allocated to the CGU unconventional oil and gas operated in Argentina, while the goodwill generated through the JDM / Medanito business combination (Note 32.2) has been allocated to the CGU conventional oil and gas operated in Argentina.

Software licenses are being amortized over the useful economic life of three years.

Exploration rights relates to the acquisition of 50% working interest in three oil and gas properties in which Jaguar Exploration y Producción de Hidrocarburos 2.3, S.A.P.I. de C.V. ("Jaguar") and Pantera Exploración y Producción 2.2., S.A.P.I. de C.V. ("Pantera") were licensees (Note 30.3.10). During the year ended December 31, 2020, an impairment charge was recognized in the exploration and evaluation assets located in Mexico for 14,044 related to the conventional oil and gas concessions operating CGU.

Note 15. Right of use assets and lease liabilities

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application on January 1, 2019. The carrying amounts of the Company's right of use assets and lease and the movements during the years ended December 31, 2020 and 2019 are detailed below:

	Right –of –use assets			
	Buildings	Plant and machinery	Total	Lease liabilities
As of December 31, 2018	**1,843**	**10,260**	**12,103**	**(12,103)**
Additions	873	9,478	10,351	(10,351)
Depreciation [1]	(656)	(5,174)	(5,830)	—
Payments	—	—	—	7,619
Interest expense [2]	—	—	—	(1,932)
As of December 31, 2019	**2,060**	**14,564**	**16,624**	**(16,767)**

[1] Includes depreciation associated to leases from drilling services incurred is capitalized as work in progress by 1,326
[2] Includes drilling services capitalized as work in progress by 371.

	Right –of –use assets			
	Buildings	Plant and machinery	Total	Lease liabilities
As of December 31, 2019	**2,060**	**14,564**	**16,624**	**(16,767)**
Additions	114	17,273	17,387	(17,470)
Modifications	(257)	(3,671)	(3,928)	3,901
Depreciation [1]	(598)	(6,907)	(7,505)	—
Payments	—	—	—	9,067
Interest expense [2]	—	—	—	(2,412)
As of December 31, 2020	**1,319**	**21,259**	**22,578**	**(23,681)**

[1] Includes depreciation associated to leases from drilling services incurred is capitalized as work in progress by 2,142.
[2] Includes drilling services capitalized as work in progress by 771.

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are individually considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

For the years ended December 31, 2020 and 2019, short-term and low-value leases and overhead spending were recognized in the statements of profit or loss and other comprehensive income in the general and administrative expenses for 131 and 201, respectively.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Note 16. Deferred income tax assets and liabilities and income tax expense

The composition of the deferred tax assets and liabilities is as follows:

	As of December 31, 2019	Profit (loss)	Other equity movements	Other comprehensive income (loss)	As of December 31, 2020
Short-term investments	523	(658)	—	—	(135)
Trade and other receivables	—	—	—	—	—
Employee defined benefit plans	1,627	(876)	—	114	865
Share-based payment reserve	1,166	(1,166)	—	—	—
Unused tax loss and other taxes [1]	7,345	29,004	—	—	37,479
Provisions	6,860	(4,387)	—	—	2,473
Right-of-use assets, net	65	199	—	—	264
Assets for deferred income tax	**17,586**	**22,116**	**—**	**114**	**40,946**
Property, plant and equipment	(138,068)	4,157	—	—	(133,911)
Trade and other receivables	(443)	(118)	—	—	(561)
Intangible assets	(771)	771	—	—	—
Inventory	(1,351)	529	—	—	(822)
Payment of borrowing's cost	—	(1,212)	—	—	(1,212)
Other	(3)	—	—	—	(3)
Inflationary adjustment	(23,493)	(15,946)	—	—	(39,439)
Liabilities for deferred income tax	**(164,129)**	**(11,819)**	**—**	**—**	**(175,948)**
Deferred income tax, net	**(146,543)**	**10,297**	**—**	**114**	**(135.002)**

[1] The Company has recognized Net Operating Loss ("NOL") generated in Argentina based on a recoverability analysis of expected future taxable income in the following years.

	Successor December 31, 2018	Profit (loss)	Other equity movements	Other comprehensive income (loss)	Successor December 31, 2019
Short-term investments	—	523	—	—	523
Trade and other receivables	1,776	(619)	—	—	1,157
Employee defined benefit plans	598	635	—	394	1,627
Share-based payment reserve	—	—	1,166	—	1,166
Unused tax loss	—	7,345	—	—	7,345
Provisions	5,610	1,250	—	—	6,860
Right-of-use assets, net	—	65	—	—	65
Deferred income tax assets	**7,984**	**9,199**	**1,166**	**394**	**18,743**
Property, plant and equipment	(140,236)	2,168	—	—	(138,068)
Borrowings' transaction costs	(1,351)	(249)	—	—	(1,600)
Intangible assets	(55)	(716)	—	—	(771)
Inventory	(40)	(1,311)	—	—	(1,351)
Other	(59)	56	—	—	(3)
Inflationary adjustment	—	(23,493)	—	—	(23,493)
Deferred income tax liabilities	**(141,741)**	**(23,545)**	—	—	**(165,286)**
Net deferred income tax liabilities	**(133,757)**	**(14,346)**	**1,166**	**394**	**(146,543)**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

	Predecessor April 3, 2018	Change due to business combination	Profit (loss)	Other comprehensive income (loss)	Successor December 31, 2018
Trade and other receivables	479	44	1,253	—	1,776
Employee defined benefit plans	1,403	438	(2,134)	891	598
Provisions	4,046	1,300	264	—	5,610
Deferred income tax assets	**5,928**	**1,782**	**(617)**	**891**	**7,984**
Property, plant and equipment	(37,618)	(92,289)	(10,329)	—	(140,236)
Borrowings' transaction costs	—	—	(1,351)	—	(1,351)
Intangible assets	(74)	—	19	—	(55)
Financial assets at FVTPL	—	(1)	1	—	—
Inventory	—	—	(40)	—	(40)
Other	(401)	—	342	—	(59)
Deferred income tax liabilities	**(38,093)**	**(92,290)**	**(11,358)**	**—**	**(141,741)**
Net deferred income tax liabilities	**(32,165)**	**(90,508)**	**(11,975)**	**891**	**(133,757)**

	Predecessor January 1, 2018	Profit (loss)	Other comprehensive income (loss)	Predecessor April 3, 2018
Trade and other receivables	263	216	—	479
Employee defined benefit plans	956	425	22	1,403
Inventory	288	(288)	—	—
Provisions	4,593	(547)	—	4,046
Deferred income tax assets	**6,100**	**(194)**	**22**	**5,928**
Property, plant and equipment	(34,550)	(3,068)	—	(37,618)
Intangible assets	(83)	9	—	(74)
Financial assets at FVTPL	(76)	76	—	—
Other	(231)	(170)	—	(401)
Deferred income tax liabilities	**(34,940)**	**(3,153)**	**—**	**(38,093)**
Net deferred income tax liabilities	**(28,840)**	**(3,347)**	**22**	**(32,165)**

	Predecessor January 1, 2017	Profit (loss)	Other comprehensive income (loss)	Predecemeber 31,2017
Trade and other receivables	2,145	(1,882)	—	263
Employee defined benefit plans	1,175	(343)	124	956
Inventory	232	56	—	288
Provisions	5,203	(610)	—	4,593
Other	160	(160)	—	—
Deferred income tax assets	**8,915**	**(2,939)**	**124**	**6,100**
Property, plant and equipment	(47,353)	12,803	—	(34,550)
Intangible assets	(114)	31	—	(83)
Financial assets at FVTPL	(6)	(70)	—	(76)
Other	(1)	(230)	—	(231)
Deferred income tax liabilities	**(47,474)**	**12,534**	**—**	**(34,940)**
Net deferred income tax liabilities	**(38,559)**	**9,595**	**124**	**(28,840)**

Deferred tax assets and liabilities are offset in the following cases: (i) when there is a legally enforceable right to offset tax assets and liabilities; and (ii) when deferred income tax charges are associated with the same fiscal authority. The following amounts, are disclosed in the consolidated statements of financial position:

	Successor December 31, 2020	Successor December 31, 2019	Sucessor December 31, 2018
Deferred income tax asset, net	565	476	—
Deferred income tax liabilities, net	135,567	(147,019)	(133,757)

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

The breakdown of income tax charge is as follows:

	Successor For the year ended December 31, 2020	Successor For the year ended December 31, 2019	Successor For the period from April 4, 2018 throuh December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Current income tax				
Current income tax income / (charge)	(184)	(3,032)	(35,450)	(4,214)
Difference in the estimate of previous fiscal year income tax and the income return	—	1,146	—	(401)
Deferred income tax				
Relating to origination and reversal of temporary differences	10,297	(14,346)	(11,975)	(3,345)
Income tax (expense) / benefit reported in the statement of profit or loss	**10,113**	**(16,232)**	**(47,425)**	**(7,960)**
Deferred tax charged to OCI	(114)	394	891	22
Total income tax charge	**9,999**	**(15,838)**	**(46,534)**	**(7,938)**

Below is a reconciliation between income tax (expense) and the amount resulting from application of the tax rate on the (loss) profit before income taxes:

	Successor For the year ended December 31, 2020	Successor For the year ended December 31, 2019	Successor For the period from April 4, 2018 throuh December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Profit / (loss) before income tax	(112,862)	(16,491)	21,043	1,311
Current statutory income tax rate	30%	30%	30%	30%
Income tax at the statutory income tax rate	33,859	4,947	(6,313)	(393)
Items that adjust the income tax (expense) / benefit:				
Non-deductible expenses	(2,449)	(1,782)	(5,824)	(3)
Inflation adjustment (Note 33.1)	(32,086)	(31,796)	—	
Effect of the measurement of monetary and non-monetary in their functional currency	24,628	15,395	(39,187)	(7,163)
Effect of statutory income tax rate change in deferred income tax (Note 32)	—	—	21,491	—
Unrecognized tax losses and other assets	(7,039)	(7,285)	(23,176)	—
Difference in the estimate of previous fiscal year income tax and the income tax statement		1,146	—	(401)
Inflation update unrecognized tax losses	(179)	1,675	—	—
Effect related to statutory income tax rate change	(6,384)	2,721	—	—
Issuance expenses	—	—	5,651	—
Other	(234)	(1,253)	(67)	—
Total income tax benefit / (expense)	**10,113**	**(16,232)**	**(47,425)**	**(7,960)**

Some subsidiaries in Mexico have tax loss carryforwards. Unused tax loss carryforwards, for which a deferred income tax asset has not been recognized, and that may be recovered provided certain requirements are fulfilled. The tax losses carryforwards for which deferred tax asset has been recorded and their corresponding years of expiration are as follows:

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

	Successor December 31, 2020	Successor December 31, 2019	Successor December 31, 2018
2027	4,223	4,333	7,110
2028	53,360	54,760	56,891
2029	31,820	32,655	—
2030 Onward	17,214	—	—
Total tax loss	**106,617**	**91,748**	**64,001**

Additionally, as of December 31, 2020, the Company have other income tax credits in Mexico, for an amount 1,124 which could be use until 2025.

Breakdown of the income tax liability:

	Successor December 31, 2020	Successor December 31, 2019	Successor December 31, 2018
Current			
Income tax, net of withholdings and advances	—	3,039	22,429
Total current	**—**	**3,039**	**22,429**

Note 17. Trade and other receivables

	Successor December 31, 2020	Successor December 31, 2019	Successor December 31, 2018
Non-current			
Other receivables:			
Prepayments, tax receivables and others:			
Income tax	11,995	—	—
Prepaid expenses and other receivables	9,884	9,594	10,646
Value Added Tax (“VAT”)	5,562	—	—
Minimum presumed income tax	1,034	1,462	—
Turnover tax	789	455	496
	29,264	**11,511**	**11,142**
Financial assets:			
Natural gas surplus injection stimulus program [1]	—	3,600	9,049
Advances and loans to employees	546	772	—
	546	**4,372**	**9,049**
Total non-current other receivables	**29,810**	**15,883**	**20,191**

	Successor December 31, 2020	Successor December 31, 2019	Successor December 31, 2018
Current			
Trade:			
Receivables from oil and gas sales (net)	23,260	52,676	55,032
Checks to be deposited	—	3	883
Trade receivables	**23,260**	**52,679**	**55,915**
Other receivables:			
Prepayments, tax receivables and others:			
VAT	17,022	3,953	10,127
Prepaid expenses and other receivables	3,228	1,861	572
Turnover tax	406	1,158	1,938
Income tax	254	16,274	3,826
	20,910	**23,246**	**16,463**
Financial assets:			
Natural gas surplus injection stimulus program [1]	4,012	7,797	6,899

Receivables from services to third parties	1,974	3,797	2,850

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

	Successor December 31, 2020	Successor December 31, 2019	Successor December 31, 2018
Current			
Director's advances and loans to employees	499	284	1,818
Price stability program of NGL	322	480	151
Balances with joint operations	24	14	—
Grants on propane credit	—	—	982
Related parties (Note 27)	—	3,169	186
Loans to third parties	—	1,241	—
Others	18	730	786
	6,849	**17,512**	**13,672**
Other receivables	**27,759**	**40,758**	**30,135**
Total current trade and other receivables	**51,019**	**93,437**	**86,050**

(1) Corresponds to balances pending collection for compensations under the IR Program (Note 2.5.2.1).

Due to the short-term nature of the current trade and other receivables, their carrying amount is considered to be similar to its fair value. For the non-current trade and other receivables, the fair values are also not significantly different to their carrying amounts.

Trade receivables are generally on terms of 30 days for crude oil revenues and 65 days for natural gas and NGL revenues

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities. The Company has recognized a loss allowance of 100% against all receivables over 90 days past due because historical experience has indicated that these receivables are generally not recoverable. Likewise, due to the nature of the business, the Company has not identified significant changes on trade and other receivables during the COVID-19 pandemic period.

As of December 31, 2020, December 31, 2019 and December 31, 2018 trade and other receivables under 90 days past due amounted to 5,024, 6,189 and 11,798, respectively, however no allowance for expected credit losses of trade receivables was recorded. Furthermore, it was recognized as a provision for expected credit losses in trade and other receivables of 3, 100 and 257, respectively.

The movements in the allowance for the expected credit losses of trade and other receivables are as follows:

	Successor For the year ended December 31, 2020	Successor For the year ended December 31, 2019	Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period From January 1, 2018 through April 3, 2018
At the beginning of period / year	(100)	(257)	—	6,161
(Reversal)/ Allowance for expected credit losses (Note 7)	22	118	(539)	49
Decreases	67	—	—	—
Exchange difference	8	39	282	(49)
At the end of the period/year	**(100)**	**(100)**	**(257)**	**6,161**

As of the date of these consolidated financial statements, the maximum exposure to credit risk corresponds to the carrying amount of each class of receivables.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Note 18. Financial assets and financial liabilities

18.1 Borrowings:

	Successor December 31, 2020	Successor December 31, 2019	Successor December 31, 2018
Non-current			
Borrowings	349,559	389,096	294,415
Total non-current	**349,559**	**389,096**	**294,415**
Current			
Borrowings	190,227	62,317	10,352
Total current	**190,227**	**62,317**	**10,352**
Total Borrowings	**539,786**	**451,413**	**304,767**

The maturities of the Company's borrowings (excluding lease liabilities) and its exposure to interest rates are as follow:

	Successor December 31, 2020	Successor December 31, 2019	Successor December 31, 2018
Fixed rate			
Less than one year	113,174	43,370	4,841
One to two years	105,652	200,172	14,721
Three to five years	134,623	44,932	132,486
	353,449	**288,474**	**152,048**
Floating rates			
Less than one year	77,053	18,947	5,5111
One to two years	64,352	99,060	14,721
Three to five years	44,932	44,932	132,487
	186,337	**162,939**	**152,719**
Total borrowings	**539,786**	**451,413**	**304,767**

See Note 18.5 for information regarding the fair value of the borrowings.

The following table details the carrying amounts of borrowings as of December 31, 2020:

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Subsidiary	Bank	Subscription date	Currency	Amount of principal	Interest	Rate Annual	Expiration	Carrying amount
Vista Argentina	Banco Galicia, Banco Itaú Unibanco, Banco Santander Rio y Citibank NA [1]	July, 2018	US	150,000	Floating	LIBOR + 4.5%	July, 2023	277,353
				150,000	Fixed	8%		
Vista Argentina		July, 2020	ARS	806,738	Floating	Badcor + 8.5%	January, 2022	10,977
				161,348	Fixed	43%		
Vista Argentina	Banco BBVA	July, 2019	US	15,000	Fixed	9.4%	July, 2022	11,853
Vista Argentina	Banco BBVA	April, 2020	ARS	725,000	Floating	TM20 + 6%	April, 2021	4,676
Vista Argentina	Banco Macro	July, 2020	ARS	1,800,000	Floating	Badlar + 9%	July, 2021	23,217
Vista Argentina	Banco BBVA	July, 2020	ARS	120,424	Floating	Badlar + 8%	January, 2022	1,509
Vista Argentina	Banco BBVA	October, 2020	ARS	130,482	Floating	Badlar + 8%	April, 2022	1,659
Vista Argentina	Bolsas y Mercados Argentinos S.A.	December, 2020	ARS	1,965,000	Fixed	31%	January, 2021	9,061 [2]

[1] As of December 31, 2020, the Company must comply with the following restrictions, according to the parameters defined in the loan contract:

(i) The ratio of consolidated net debt to EBITDA ("Earnings Before Interest, Tax, Depreciation and Amortization") consolidated.

(ii) The Consolidated Interest Coverage Index as of the last day of each fiscal quarter. "Consolidated Interest Coverage Ratio" shall mean, the ratio of (a) Consolidated EBITDA to (b) Consolidated Interest Expense for such period.

This credit facility includes covenants restricting, but not prohibiting, among other things, Vista Argentina, Vista Holding I and Vista Holding II and the Company's ability to: (i) incur or guarantee additional debt; (ii) create liens on its assets to secure debt; (iii) dispose of assets (iv) merge or consolidate with another person or sell or otherwise dispose of all or substantially all of its assets; (v) change their existing line of business (vi) declare or pay any dividends or return any capital; (vii) make investments; (viii) enter into transactions with affiliates; and (ix) change their existing accounting practices.

As of December 31, 2020, and 2019, there was no non-compliance of said affirmative, negative and financial covenants.

During July 2020, the Company and its subsidiaries Vista Argentina, Vista Holding I and Vista Holding II, entered into different agreements to refinance 45,000 of the Syndicated Loan, by entering into a new syndicated loan agreement ("ARS Syndicated Loan") for an amount in Argentine pesos equivalent to 40,500 payable in two tranches: the first of 13,500 in July 2020 and the second of 27,000 in January 2021 (See Note 36) and in turn the deferral of the payment of a tranche of 4,500 with original maturity in 2020 to a new maturity term in 2022. Finally, as part of the third amendment to the ARS Syndicated Loan contract, modifications were incorporated to certain definitions and financial commitments. There were no additional financial charges recognized in the results of the year, connected with modifications mentioned bellow.

[2] Amount net of 17,023 of short-term investments in guarantees.

Additionally, during the years ended December 31, 2020 and 2019, Vista Argentina has issued a simple non-convertible debt security, under the Notes Program that was approved by the National Securities Commission in Argentina ("CNV"). The following table details the carrying amounts of negotiable obligations ("ON"):

Subsidiary	Instruments	Subscription date	Currency	Amount of principal	Interest	Rate Annual	Expiration	Carrying amount
Vista Argentina	ON I	July, 2019	US	50,000	Fixed	7.88%	July, 2021	50,485
Vista Argentina	ON II	August, 2019	US	50,000	Fixed	8.5%	August, 2022	50,267
Vista Argentina	ON III	February, 2020	US	50,000	Fixed	3.5%	February, 2024	50,168
Vista Argentina	ON IV	August, 2020	ARS	725,650	Floating	Badlar + 1.37%	February, 2022	8,930
Vista Argentina		August, 2020	US	20,000	Fixed	0%	August, 2023	19,787
	ON V	December, 2020	US	10,000	Fixed	0%	August, 2023	9,910

December, 2020	US	10,000	Fixed	3.24%	December, 2024	9,934	

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Under the aforementioned Notes Program, the Company may publicly offer and issue debt securities in Argentina for a total capital amount of up to 800,000 or its equivalent in other currencies at any time.

18.1.1 Loan Agreement with OPIC

On September 11, 2019, the Board of Directors of the Overseas Private Investment Corporation ("OPIC") has approved a credit line up to 300,000 in financing to Vista Argentina and 150,000 to Aleph, with a term of up to ten years, which are subject to the conclusion of the final documents and the fulfillment of certain precedent conditions. As of the date of these consolidated financial statements no funds related to this loan were received and there are no assurances that those precedent conditions can be met.

18.2 Changes in liabilities arising from financing activities

The movements in the borrowings are as follows:

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Balance at the beginning of the periods/year	**451,413**	**304,767**	—	—
Balance of financial liability as of April 4, 2018 of VISTA related to Series A shares	—	—	647,083	—
Proceeds from bridge loan (1)	—	—	260,000	—
Payment of bridge loan transaction costs	—	—	(11,904)	—
Payment of bridge loan (1)	—	—	(260,000)	—
Proceeds from borrowings (2)	198,618	234,728	300,000	—
Payment of borrowings transaction costs	(2,259)	(1,274)	(8,333)	—
Payment of redemption of Series A shares (Note 21.1)	—	—	(204,590)	—
Capitalization of liability related to Series A shares (2)	—	—	(442,491)	—
Interes expense (3) (Note 11.2)	47,923	34,159	15,546	—
Payment of borrowings' interests	(43,756)	(32,438)	(5,018)	—
Payment of borrowings' principal	(98,761)	(90,233)	—	—
Costs of early settlements of borrowings and amortized cost (Note 11.3)	2,811	2,076	14,474	—
Foreing currency exchange difference	(16,203)	(372)		
Balances at the end of the period/year	**539,786**	**451,413**	**304,767**	**—**

(1) On April 4, 2018, the Company subscribed a bridge loan agreement with Citibank, NA, Credit Suisse AG and Morgan Stanley Senior Funding, Inc., as co-lenders, for an amount of 260,000 in order to pay a portion of the price of acquisition of the shares of APCO and APCO Argentina. Such loan originated transaction costs for an amount of 11,904. The loan had an expiration date on February 11, 2019 and bore interest of 3.25% to be increased on a quarterly basis reaching 5% at the expiration date. The repayment of the entire principal would occur on the final maturity date. The repayment of the entire principal and interest accrued occurred on July 19, 2018.

This loan was prepaid on July 19, 2018, when a new financing was obtained through its Argentine subsidiary as explained in item 2). Consequently, the collateral in favor of the lenders was released. As of that date, the remaining amount of deferred expenses related to this loan for 11,904 were recognized in profit or loss.

(2) As of December 31, 2020, Includes 201,728 net of 3,110 of government bonds in guarantees (non-cash).

(3) Non-cash movement

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

18.3 Warrants

Along with the issuance of the Serie A common shares at the IPO, the Company placed 65,000,000 Warrants to purchase one-third of a Serie A common shares at a strike price of 11.50 US per share (the "Serie A Warrants"). These Serie A Warrants expire on April 4, 2023 or earlier if, after exercisability, the closing price for a class A common share for any 20 trading days within an applicable 30-trading day period shall equal or exceed the peso equivalent of 18.00 US and the Company decides to early terminate the exercise period of the Warrants. In the event the Company declares an early termination, Vista will have the right to declare that the exercise of the Series A Warrants to be made on a "cashless basis". If the Company elects the cashless exercise, holders of Series A Warrants electing to exercise such Warrants shall do so by surrendering warrants and receiving a variable number of Series A shares resulting from the formula set forth in the Warrant indenture, which captures the average of the US equivalent of the closing price of the class A shares during a 10-day period.

Substantially at the same time, the Company's sponsors purchased a total of 29,680,000 Warrants to purchase one-third of a Series A common share at a strike price of 11.50 US per share (the "Warrants") for 14,840 in a private placement that was made simultaneously with the closing of the IPO in Mexico. The Warrants are identical to and fungible with the Series A Warrants; however, the Warrants may be exercised for cash or on a cashless basis for a variable number of Series A shares at the discretion of Vista's sponsors or their permitted transferees. If the Warrants are held by other persons, then they will be exercisable by on the same basis as the other warrants.

On August 15, 2018, the exercise period of the Warrants commenced.

On February 13, 2019, the Company completed sale of 5,000,000 of Warrants to purchase one-third of a Series A common shares pursuant to a Forward Purchase Agreement and certain subscription commitment, at a price of 11.50 US/per share.

As of December 31, 2020, 2019 and 2018 warrant's holders have not exercised their right.

The liability associated with the warrant will eventually be converted to the Company's equity (Serie A common shares) when the warrants are exercised or will be extinguished upon the expiry of the outstanding warrants and will not result in the payment of any cash by the Company.

In accordance with IFRS, a contract to issue a variable number of shares should be classified as a financial liability and measured at fair value with changes in fair value recognized in the consolidated statement of profit or loss and comprehensive income.

Non-current	Successor December 31, 2020	Successor December 31, 2019	Successor December 31, 2018
Warrants	362	16,860	23,700
Total non-current	**362**	**16,860**	**23,700**

18.4 Financial instruments by category

The following chart presents financial instruments by category:

As of December 31, 2020	Financial assets/liabilities at amortized cost	Financial assets/liabilities FVTPL	Total financial assets/liabilities
Assets			
American governments bonds (Note 23)	8,004	—	8,004
Trade and other receivables (Note 17)	546	—	546
Total non-current financial assets	**8,550**	**—**	**8,550**
Cash, banks and short-term investments (Note 20)	170,851	32,096	202,947

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

As of December 31, 2020	Financial assets/liabilities at amortized cost	Financial assets/liabilities FVTPL	Total financial assets/liabilities
Trade and other receivables (Note 17)	30,109	—	30,109
Total current financial assets	**200,960**	**32,096**	**233,056**
Liabilities			
Borrowings (Note 18.1)	349,559	—	349,559
Warrants (Note 18.3)	—	362	362
Leases liabilities (Note 15)	17,498	—	17,498
Total non-current financial liabilities	**367,057**	**362**	**367,419**
Borrowings (Note 18.1)	190,227	—	190,227
Accounts payable and accrued liabilities (Note 26)	118,619	—	118,619
Leases liabilities (Note 15)	6,183	—	6,183
Total current financial liabilities	**315,029**	**—**	**315,029**

As of December 31, 2019	Financial assets/liabilities at amortized cost	Financial assets/liabilities FVTPL	Total financial assets/liabilities
Assets			
American governments bonds (Note 23)	7,882	—	7,882
Trade and other receivables (Note 17)	4,372	—	4,372
Total non-current financial assets	**12,254**	**—**	**12,254**
Cash, banks and short-term investments (Note 20)	251,245	8,783	260,028
Trade and other receivables (Note 17)	70,191	—	70,191
Total current financial assets	**321,436**	**8,783**	**330,219**
Liabilities			
Borrowings (Note 18.1)	389,096	—	389,096
Warrants (Note 18.3)	—	16,860	16,860
Leases liabilities (Note 15)	9,372	—	9,372
Accounts payable and accrued liabilities (Note 26)	419	—	419
Total non-current financial liabilities	**398,887**	**16,860**	**415,747**
Accounts payable and accrued liabilities (Note 26)	98,269	—	98,269
Borrowings (Note 18.1)	62,317	—	62,317
Leases liabilities (Note 15)	7,395	—	7,395
Total current financial liabilities	**167,981**	**—**	**167,981**

As of December 31, 2018	Financial assets/liabilities at amortized cost	Financial assets/liabilities at FVTPL	Total financial assets/liabilities
Assets			
Trade and other receivables (Note 17)	9,049	—	9,049
Total non-current financial assets	**9,049**	**—**	**9,049**
Cash, banks and short-term investments (Note 20)	52,116	28,792	80,908
Trade and other receivables (Note 17)	69,587	—	69,587
Total current financial assets	**121,703**	**28,792**	**150,495**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

As of December 31, 2018	Financial assets/liabilities at amortized cost	Financial assets/liabilities at FVTPL	Total financial assets/liabilities
Liabilities			
Accounts payable and accrued liabilities (Note 26)	1,007	—	1,007
Borrowings (Note 18.1)	294,415	—	294,415
Warrants (Note 18.3)	—	23,700	23,700
Total non-current financial liabilities	**295,422**	**23,700**	**319,122**
Accounts payable and accrued liabilities (Note 26)	84,334	—	84,334
Borrowings (Note 18.1)	10,352	—	10,352
Warrants (Note 18.3)	—	—	—
Total current financial liabilities	**94,686**	**—**	**94,686**

The income, expenses, gains and losses derived from each of the financial instrument categories are indicated below:

For the year ended December 31, 2020:

	Financial assets/liabilities at amortized cost	Financial assets/liabilities at FVTPL	Total
Interest income (Note 11.1)	822	—	822
Interest expense (Note 11.2)	(47,923)	—	(47,923)
Amortized cost (Note 11.3)	(2,811)	—	(2,811)
Changes in the fair value of Warrants (Note 11.3)	—	16,498	16,498
Foreign currency exchange difference, net (Note 11.3)	3,068	—	3,068
Effect of discount of assets and liabilities at present value (Note 11.3)	(3,432)	—	(3,432)
Impairment of financial assets (Note 11.3)	(4,839)	—	(4,839)
Changes in the fair value of the financial assets (Note 11.3)	—	(645)	(645)
Interest expense leases (Note 11.3)	(1,641)	—	(1,641)
Unwinding of discount on asset retirement obligation (Note 11.3)	(2,584)	—	(2,584)
Others (Note 11.3)	633	—	633
Total	**(58,707)**	**15,853**	**(42,854)**

For the year ended December 31, 2019:

	Financial assets/liabilities at amortized cost	Financial assets/liabilities at FVTPL	Total
Interest income (Note 11.1)	3,770	—	3,770
Interest expense (Note 11.2)	(34,163)	—	(34,163)
Cost of early settlements of borrowings and amortized cost (Note 11.3)	(2,076)	—	(2,076)
Changes in the fair value of Warrants (Note 11.3)	—	6,840	6,840
Foreign currency exchange difference, net (Note 11.3)	(2,991)	—	(2,991)
Effect of discount of assets and liabilities at present value (Note 11.3)	(10)	—	(10)
Changes in the fair value of the financial assets (Note 11.3)	—	873	873
Interest expense leases (Note 11.3)	(1,561)	—	(1,561)
Unwinding of discount on asset retirement obligation (Note 11.3)	(1,723)	—	(1,723)
Others (Note 11.3)	(67)	—	(67)
Total	**(38,821)**	**7,713**	**(31,108)**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

For the period from April 4, 2018 through December 31, 2018:

	Financial assets/liabilities at amortized cost	Financial assets/liabilities at FVTPL	Total
Interest income (Note 11.1)	2,532	—	2,532
Interest expense (Note 11.2)	(15,746)	—	(15,746)
Foreign currency exchange difference, net (Note 11.3)	3,005	—	3,005
Changes in the fair value of Warrants (Note 11.3)	—	(8,860)	(8,860)
Changes in the fair value of government bonds and mutual funds (Note 11.3)			
Cost of early settlements of borrowings and amortized cost (Note 11.3)	(14,474)	—	(14,474)
Effect on discount on assets and liabilities at present value (Note 11.3)	(2,743)	—	(2,743)
Unwinding of discount on asset retirement obligation (Note 11.3)	(897)	—	(897)
Others (Note 11.3)	(366)	—	(366)
Total	**(28,689)**	**(8,860)**	**(36,630)**

For the period from January 1, 2018 through April 3, 2018:

	Financial assets/liabilities at amortized cost	Financial assets/liabilities at FVTPL	Total
Interest income (Note 11.1)	239	—	239
Interest expense (Note 11.2)	(23)	—	(23)
Foreign currency exchange difference, net (Note 11.3)	(995)	—	(995)
Results from financial instruments at fair value (Note 11.3)	—	69	69
Changes in the fair value of government bonds and mutual funds (Note 11.3)	—	—	—
Cost of early settlements of borrowings and amortized cost (Note 11.3)	—	—	—
Effect on discount on assets and liabilities at present value (Note 11.3)	—	—	—
Unwinding of discount on asset retirement obligation (Note 11.3)	(233)	—	(233)
Total	**(1,012)**	**69**	**(943)**

18.5 Fair values

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

18.5.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

The Company classifies the fair value measurements of financial instruments using a fair value hierarchy, which reflects the relevance of the variables used to perform those measurements. The fair value hierarchy has the following levels:

- Level 1: quoted prices (not adjusted) for identical assets or liabilities in active markets.
- Level 2: data different from the quoted prices included in Level 1 observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: Asset or liability data based on information that cannot be observed in the market (i.e., unobservable data).

The following table shows the Company's financial assets and liabilities measured at fair value as of December 31, 2020, December 31, 2019 and December 31, 2018:

As of December 31, 2020	Level 1	Level 2	Level 3	Total

Assets				
Financial assets at FVTPL				
Short term investments	32,096	—	—	32,096
Total assets	**32,096**	**—**	**—**	**32,096**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

As of December 31, 2020	Level 1	Level 2	Level 3	Total
Liabilities				
Financial liabilities at FVTPL				
Warrants	—	—	362	362
Total liabilities	**—**	**—**	**362**	**362**

As of December 31, 2019	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at FVTPL				
Short term investments	8,783	—	—	8,783
Total assets	**8,783**	**—**	**—**	**8,783**

As of December 31, 2019	Level 1	Level 2	Level 3	Total
Liabilities				
Financial liabilities at FVTPL				
Warrants	—	—	16,860	16,860
Total liabilities	**—**	**—**	**16,860**	**16,860**

As of December 31, 2018	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at FVTPL				
Government bonds and mutual funds	28,792	—	—	28,792
Total assets	**28,792**	**—**	**—**	**28,792**

As of December 31, 2018	Level 1	Level 2	Level 3	Total
Liabilities				
Financial liabilities at FVTPL				
Warrants	—	—	23,700	23,700
Total liabilities	**—**	**—**	**23,700**	**23,700**

The value of the financial instruments negotiated in active markets is based on the market quoted prices as of the date of these consolidated financial statements. A market is considered active when the quoted prices are regularly available through a stock exchange, broker, sector-specific institution or regulatory body, and those prices reflect regular and current market transactions between parties that act in conditions of mutual independence. The market quotation price used for the financial assets held by the Company is the current offer price. These instruments are included in Level 1.

The fair value of financial instruments that are not negotiated in active markets is determined using valuation techniques. These valuation techniques maximize the use of market observable information, when available, and rely as little as possible on specific estimates of the Company. If all significant variables to establish the fair value of a financial instrument can be observed, the instrument is included in Level 2.

If one or more variables used to determine the fair value could not be observed in the market, the financial instrument is included in Level 3.

There were no transfers between Level 1 and Level 2 during the years ended December 31, 2020 and 2019, the period from April 4, 2018 through December 31, 2018 and the period from January 1, 2018 through April 3, 2018.

The fair value of Warrants is determined using the Black & Scholes warrant pricing model by taking into consideration the expected volatility of the Company's common shares in estimating the Company's future stock price volatility. The risk-free interest rate for the expected life of the Warrants is based on the yield available on government benchmark bonds with an approximate equivalent remaining term at the time of the grant. The expected life is based upon the contractual term.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

The following weighted average assumptions were used to estimate the fair value of the warrant liability as of December 31, 2020, December 31, 2019 and December 31, 2018:

	As of December 31, 2020	As of December 31, 2019	As of December 31, 2018
Annualized volatility	40.212%	22.941%	26.675%
Domestic risk-free interest rate	4.344%	6.562%	8.575%
Foreign risk-free interest rate	0.129%	1.697%	2.537%
Expected life of warrants in years	2.29 years	3.31 years	4.27 years

This is a Level 3 recurring fair value measurement. The key level 3 inputs used by management to determine the fair value are the market price and the expected volatility. As of December 31, 2020: (i) if the market price were to increase by US 0.10 this would increase the obligation by approximately 76; (ii) if the market price were to decrease US 0.10 this would decrease the obligation by approximately 66; (iii) if the volatility were to increase by 50 basis points this would increase the obligation by approximately 32; and (iv) if the volatility were to decrease by 50 basis point, this would decrease the obligation by approximately 31.

As of December 31, 2019: (i) if the market price were to increase by US 0.10 this would increase the obligation by approximately 901; (ii) if the market price were to decrease US 0.10 this would decrease the obligation by approximately 878; (iii) if the volatility were to increase by 50 basis points this would increase the obligation by approximately 506; and (iv) if the volatility were to decrease by 50 basis point, this would decrease the obligation by approximately 519.

As of December 31, 2018: (i) if the market price were to increase by US 0.10 this would increase the obligation by approximately 820; (ii) if the market price were to decrease US 0.10 this would decrease the obligation by approximately 828; (iii) if the volatility were to increase by 50 basis points this would increase the obligation by approximately 245; and (iv) if the volatility were to decrease by 50 basis point, this would decrease the obligation by approximately 259.

Reconciliation of Level 3 fair value measurements	As of December 31, 2020	As of December 31, 2019	As of December 31, 2018
Balance of warrant liability as of the beginning of the year	16,860	23,700	14,840
Total change in fair value of warrants:			
(Profit) / loss in fair value of warrants (Note 11.3)	(16,498)	(6,840)	8,860
Balance at year end (Note 18.3)	**362**	**16,860**	**23,700**

18.5.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the Company considers that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements are similar to their fair values as explained in the correspondent notes.

As of December 31, 2020	Carrying amount	Fair Value	Level
Liabilities			
Borrowings	539,786	567,381	2
Total liabilities	**539,786**	**567,381**	

As of December 31, 2019	Carrying amount	Fair Value	Level
Liabilities			
Borrowings	451,413	416,845	2
Total liabilities	**451,413**	**416,845**	

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

As of December 31, 2018	Carrying amount	Fair Value	Level
Liabilities			
Borrowings	304,767	286,734	2
Total liabilities	**304,767**	**286,734**	

18.6 Financial instruments risk management objectives and policies

18.6.1 Financial Risk Factors

The Company's activities are subject to several financial risks: market risk (including the exchange rate risk, the interest rate risk and the price risk), credit risk and liquidity risk.

Financial risk management is encompassed within the Company's global policies, there is an integrated risk management methodology focused on monitoring risks affecting the whole Company. This strategy seeks to achieve a balance between profitability targets and risk exposure levels. Financial risks are those derived from financial instruments the Company and PELSA is exposed to during or at the closing of each period/year.

Financial risk management is controlled by the Company's Financial Department, which identifies, evaluates and covers financial risks. Risk management systems and policies are reviewed on a regular basis to reflect changes in market conditions and the Company's activities. This section includes a description of the main risks and uncertainties, which may adversely affect the Company's strategy, performance, operational results and financial position.

18.6.1.1 Market risks

Foreign exchange risk

The Company's financial situation and the results of its operations are sensitive to variations in the exchange rate between the US and ARS and other currencies.

During the year ended on December 31, 2018, the Company did not use derivative financial instruments to mitigate associated exchange rate risks in the periods/year presented. As of December 31, 2020, and 2019, the Company celebrated some derivative financial instruments and the impact in the results of the year is recognized in "Other financial results".

The majority of the Company's and PELSA's sales are directly denominated in US or the evolution of its price follows the evolution of the quotation of this currency. The Company and PELSA collect a significant portion of its revenues in ARS pursuant to prices which are indexed to the US dollar, mainly revenues resulting from the sale of gas and crude oil.
During the years ended December 31, 2020 and 2019 the Argentine Peso depreciated by approximately 41% and 59%, respectively. During the period from April 4, 2018 through December 31, 2018, and during the period from January 1, 2018 through April 3, 2018, the Argentine Peso depreciated by approximately 105% and 8%.

The following tables demonstrate the sensitivity to a reasonably possible change in ARS exchange rate against US, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and monetary liabilities denominated in currencies other that the US, the functional currency of the Company. The Company's exposure to foreign currency changes for all other currencies is not material.

	Consolidated Successor As of December 31, 2020	Consolidated Successor As of December 31, 2019	Consolidated Successor As of December 31, 2018	Predecessor As of April 3, 2018
Change in Argentine peso rate	+/-50%	+/-33%	+/-28%	+/-30%
Effect in profit or loss	(22,170) / 22,170	(20,350) / 20,350	(12,697)/12,697	(10,381)/10,381
Effect in equity	(22,170) / 22,170	(20,350) / 20,350	(12,697)/12,697	(10,381)/10,381

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Argentine inflationary environment

Inflation in Argentina has been high for several years, but consumer price inflation ("IPC") was not reported consistently. Given the differences in geographical coverage, weights, sampling, and methodology of various inflation series, the average IPC inflation for 2014, 2015 and 2016, and end-of-period inflation for 2015 and 2016 were not reported in the International Monetary Fund's April 2018 World Economic Outlook. The 3-year cumulative inflation using different combinations of retail price has been in excess of 100% since late 2017. However, the wholesale price index, which has been available consistently for the prior three years, was about 75% cumulative basis in December 2017.

During the years ended December 31, 2020, 2019 and 2018 the ARS devalued approximately 41%, 59% and 100%, respectively. The annual interest rates during the years 2020, 2019 and 2018 were raised in excess of 39%, 65% and 60% and wholesale price inflation accelerated considerably. As of December 31, 2020, 2019, and 2018 the 3-year ccumulative rate of inflation reached a level of around 200%, 180% and 140%, respectively.

Price risk

The Company's financial instruments are not significantly exposed to hydrocarbon international price risks because of the current regulatory, economic, governmental and other policies in force, gas domestic prices are not directly affected in the short-term to variations in the international market.

Additionally, the Company's investments in financial assets classified as "at fair value through profit or loss" are sensitive to the risk of changes in the market prices resulting from uncertainties as to the future value of such financial assets.

The Company estimates that provided all other variables remain constant, a revaluation/(devaluation) of each market price detailed below would generate the following increase/(decrease) in the fiscal year's income/(loss) in relation to financial assets at fair value through profit or loss detailed in Note 18.5 to these consolidated financial statements:

	Consolidated Successor For the year ended December 31, 2020	Consolidated Successor For the year ended December 31, 2019	Consolidated Successor For the period from April 4, 2018 through December 31, 2018	Predecessor For the period from January 1, 2018 through April 3, 2018
Change in government bonds	+/-10%	+/-10%	+/-10%	+/-10%
Effect in profit before tax	163 /(163)	530 /(530)	1,329 / (1,329)	1,213 / (1,213)
Change in mutual funds	+/-10%	+/-10%	+/-10%	+/-10%
Effect in profit before tax	3,046 / (3,046)	366 /(366)	5,096 / (5,096)	1,587 / (1,587)

Cash flow and fair value interest rate risk

Management of interest rate risk seeks to minimize financial costs and limit the Company's exposure to interest rate increases.

Indebtedness at variable rates exposes the Company to the interest rate risk on its cash flows due to the possible volatility they may experience. Indebtedness at fixed rates exposes the Company to the interest rate risk on the fair value of its liabilities, since they may be considerably higher than variable rates. As of December 31, 2020, December 31, 2019, December 31, 2018, approximately 35%, 36% and 50% of the indebtedness was subject to variable interest rates. For the years ended December 31, 2020, December 31, 2019, December 31, 2018, the variable interest rate was 5.69%, 6.67% and 8.06% for borrowings denominated in US and 38.81%, 59.90% and 0% for borrowings denominated in ARS, respectively.

The Company seeks to mitigate its interest-rate risk exposure through the analysis and evaluation of (i) different liquidity sources available in the financial and capital market, both domestic (if available) and international; (ii) interest rate alternatives (fixed or variable), currencies and terms available for companies in a similar sector, industry and risk than the Company; (iii) the availability, access and cost of interest-rate hedge agreements. On doing this, the Company evaluates the impact on profit or loss resulting from each strategy over the obligations representing the main interest-bearing positions.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

In the case of fixed rates and in view of the market's current conditions, the Company considers that the risk of a significant decrease in interest rates is low and, therefore, does not foresee a substantial risk in its indebtedness at fixed rates.

For the years ended December 31, 2020 and 2019, the period from April 4, 2018 through December 31, 2018, and the period from January 1, 2018 through April 3, 2018, the Company and PELSA did not use derivative financial instruments to mitigate risks associated with fluctuations in interest rates.

18.6.1.2 Credit risk

The Company establishes individual credit limits according to the limits defined by the management based on internal or external ratings. The Company makes constant credit assessments on its customers' financial capacity, which minimizes the potential risk for credit losses. Customer credit risk is managed centrally subject to the Company's established policy, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The credit risk represents the exposure to possible losses resulting from the breach by commercial or financial counterparties of their obligations taken on with the Company. This risk stems mainly from economic and financial factors.

The Company has established an allowance for expected credit losses that represents the best estimate by the Company of possible losses associated with trade and other receivables.

The Company has the following credit risk concentration regarding its participation on all trade receivables as of and on revenues for the years:

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Percentages on total trade receivables:			
Customers			
Raizen Argentina S.A. (previously Shell Cía. Argentina de Petróleo S.A)	25%	34%	31%
Trafigura Argentina S.A.	25%	31%	35%
Camuzzi Gas Pampeana, S.A.	13%	16%	8%

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Percentages on revenues from contracts with customers by product:			
Oil Market			
Trafigura Argentina S.A.	46%	45%	34%
Trafigura Pte LTD	17%	-%	-%
Raizen Argentina S.A. (previusly Shell Cía. Argentina de Petróleo S.A)	17%	53%	40%
ENAP Refinerias S.A.	12%	-%	-%
Pampa Energía S.A.	-%	-%	13%
YPF S.A.	-%	-%	12%
Natural Gas			
Camuzzi Gas Pampeana S.A.	29%	22%	6%
Rafael G. Albanesi S.A.	22%	22%	26%
Metroenergía S.A.	13%	14%	3%
San Atanasio Energía S.A.	4%	2%	10%

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

	Successor-December 31, 2020	Successor-December 31, 2019	Successor-December 31, 2018
Cía. Inversora de Energía S.A.	3%	7%	13%

No other single client has a participation on the total amount of these receivables or revenues exceeding 10% in any of the years presented.

An impairment analysis is performed at each reporting date on a case-by-case basis to measure expected credit losses. Calculation reflects the probability-weighted outcome, time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as high, as its customers are concentrated as detailed above.

Set out below is the information about the credit risk exposure on the Company's trade receivables:

Successor-December 31, 2020	Current	<90 days	90–365 days	>365 days	Total
Estimated total gross carrying amount at default	18,236	5,024	3	—	23,263
Expected credit loss	—	—	(3)	—	(3)
					23,260

Successor-December 31, 2019	Current	<90 days	90–365 days	>365 days	Total
Estimated total gross carrying amount at default	46,490	6,189	100	—	52,779
Expected credit loss	—	—	(100)	—	(100)
					52,679

Successor-December 31, 2018	Current	<90 days	90–365 days	>365 days	Total
Estimated total gross carrying amount at default	44,374	7,965	3,833	—	56,172
Expected credit loss	—	—	(257)	—	(257)
					55,915

The credit risk of liquid funds and other financial investments is limited since the counterparties are high credit quality banking institutions. If there are no independent risk ratings, the risk control area evaluates the customer's creditworthiness, based on past experiences and other factors.

18.6.1.3 Liquidity risk

The liquidity risk is associated with the Company's capacity to finance its commitments and conduct its business plans with stable financial sources, as well as with the indebtedness level and the financial debt maturities profile. The cash flow projection is made by the financial department.

The Company's management supervises updated projections on liquidity requirements to guarantee the sufficiency of cash and liquid financial instruments to meet operating needs. In this way, the aim is that the Company does not breach indebtedness levels or the covenants, if applicable, of any credit facility. Those projections take into consideration the Company's debt financing plans, the compliance of the covenants and, if applicable, the external regulatory or legal requirements such as, for example, restrictions on the use of foreign currency.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

As mentioned in Note 18.1, and in response of the Company to the effects of the COVID-19 and falling crude oil prices, during July 2020, the Company and its subsidiaries Vista Argentina, Vista Holding I and Vista Holding II, entered into different agreements to refinance 45,000 of the Syndicated Loan, by entering into a new ARS Syndicated Loan for an amount in Argentine pesos equivalent to 40,500 payable in two tranches: the first of 13,500 in July 2020 and the second of 27,000 in January 2021 (See Note 36) and in turn the deferral of the payment of a tranche of 4,500 with original maturity in 2020 to a new maturity term in 2022. Finally, as part of the third amendment to the ARS Syndicated Loan contract, modifications were incorporated to certain definitions and financial commitments, in order to strengthen the group's liquidity during this period of high global uncertainty.

Excess cash and balances above working capital management requirements are managed by the Company's financial department, which invests them in term deposits, money market funds and mutual funds, selecting instruments having proper currencies and maturities, and an adequate credit quality and liquidity to provide a sufficient margin as determined in the previously mentioned projections.

The Company keeps its sources of financing diversified between banks and the capital market, and it is exposed to the refinancing risk at maturity.

The determination of the Company's liquidity index as of December 31, 2020, December 31, 2019 and December 31, 2018 is detailed below:

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Current assets	267,836	372,571	185,145
Current liabilities	333,738	193,036	134,118
Liquidity Index	**0.803**	**1.930**	**1.380**

The following table includes an analysis of the Company financial liabilities, grouped according to their maturity dates and considering the period remaining until their contractual maturity date from the date of the financial statements.

The amounts shown in the table are the contractual undiscounted cash flows.

As of December 31, 2020	Financial liabilities excluding borrowings	Borrowings	Total
Not yet due:			
Less than one year	124,802	190,227	315,029
One to two years	5,733	170,004	175,737
Two to five years	12,127	179,555	191,682
Total	**142,662**	**539,786**	**682,448**

As of December 31, 2019	Financial liabilities excluding borrowings	Borrowings	Total
Not yet due:			
Less than one year	105,664	62,317	167,981
One to two years	5,334	299,232	304,566
Two to five years	21,317	89,864	111,181
Total	**132,315**	**451,413**	**583,728**

As of December 31, 2018	Financial liabilities excluding borrowings	Borrowings	Total
Not yet due:			
Less than one year	84,334	10,352	94,686
One to two years	1,007	26,471	27,478
Two to five years	23,700	267,944	291,644
Total	**109,041**	**304,767**	**413,808**

18.6.1.4 Others risk

Access to the exchange market in Argentina

The regulatory framework established by the Central Bank of the Argentine Republic ("BCRA") during the year ended December 31, 2020 is detailed below. It set up certain limits and adjustments to accumulation and consumption in currencies different from ARS; and to the acquisition of currencies that the Company can access:

(i) Communication "A" 7030 and complementary

On May 28, 2020, through Communication "A" 7030, as amended, the BCRA established that a Company could access the Free and Single Foreign Exchange Market ("Mercado Unico Libre de Cambio" or MULC") for payments of imports of goods or services, payments of principal and interest on financial indebtedness abroad, and payment of profits and dividends, among other concepts, with previous agreement of the BCRA. So financial entities must verify that the information provided by the Companies is compatible with existing data in the online system established by the BCRA. Regarding compliance with the following requirements:

a. All of its holdings of currency different from ARS in the country are deposited in a local bank account, and it does not have available liquid external assets; and

b. The commitment to settle through the official market, those funds that are received from abroad, within 5 laboral days. Funds include those originated in the collection of loans granted to third parties, collection of time deposits, and collection of sales of any other asset, provided that the asset had been acquired, the deposit constituted, or the loan granted after May 8, 2020.

Additionally, it is established that the BCRA must give approval for access to the MULC for the purpose of making advance payments for goods imports; the cancellation of debts originated in imports of goods; and the cancellation of debt from capital services abroad when the creditor is a party related to the debtor. Originally, this requirement expired on June 30, 2020, but it was repeatedly deferred and Communication "A" 7193 extended it until March 31, 2021.

(ii) Communication "A" 7106

On September 15, 2020, through this communication, the BCRA established that companies could access the MULC if they have debts with foreign creditors (who are not related parties) and whose principal maturities operate between October 15, 2020 and March 31, 2021. Those companies must present a refinancing plan based on the following criteria: (i) the net amount should not exceed 40% of the principal amount to be paid; (ii) the rest of the principal must be refinanced with a new external debt, with an average maturity of at least 2 years.

The aforementioned will not be applicable in the case of indebtedness with international organizations or their associated agencies or guaranteed by them, or of indebtedness granted to the debtor by official credit agencies or guaranteed by them, or the amount for which the exchange market would be accessed for the cancellation of the principal of these types of indebtedness does not exceed the equivalent of one million US per calendar month.

On February 25, 2021, through Communication "A" 7230, the BCRA extended the aforementioned terms for those who register scheduled principal maturities between April 1 and December 31, 2021.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

(iii) Communication "A" 7133

On October 9, 2020, through this communication, the BCRA established that a debtor may access the MULC to cancel principal above the 40% limit referred to in Communication "A" 7106, as long as it registers settlements in the MULC as of October 9, 2020 for an amount equal to or greater than the excess over 40% in concept of (i) indebtedness abroad, (ii) issuance of publicly registered debt securities abroad or (iii) issuance of debt securities with public registration in the country denominated in a currency other than ARS, which comply with the conditions set forth in the exchange regulations for these issues.

In the case of debt securities with public registration in the country or abroad issued as of October 9, 2020, with an average life of no less than 2 years and whose delivery to creditors has made it possible to comply with the parameters set forth in the refinancing plan required by the standard; the requirement of settlement of a currency different from ARS to access to the exchange market for the cancellation of its principal and interest services will be considered fulfilled.

As of December 31, 2020, the Company has taken all the necessary actions to be in compliance with the provisions of the aforementioned communications and continues monitoring new changes to the regulatory framework and their impacts in the cancellation of debts in currencies different from ARS.

Note 19. Inventories

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Materials and spare parts	7,743	16,074	15,465
Crude oil stock (Note 6.2)	6,127	3,032	2,722
Total	**13,870**	**19,106**	**18,187**

Note 20. Cash, bank balances and short-term investments

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Money market funds	167,553	107,041	—
Mutual funds	30,886	7,756	52,793
Banks	2,875	139,931	13,254
Government bonds	1,633	5,300	11,457
Treasury notes	—	—	3,404
Total	**202,947**	**260,028**	**80,908**

For the purposes of the consolidated statements of cash flows, cash and cash equivalents include resources available in cash in the bank and investments with a maturity less than three months. The following chart shows a reconciliation of the movements between cash, banks and short-term investments and cash and cash equivalents:

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Cash, banks and short-term investments	202,947	260,028	80,908
Less			
Government bonds and treasury notes	(1,633)	(5,300)	(14,861)
Restricted cash and cash equivalents [(1)]	—	(20,498)	—
Cash and cash equivalents	**201,314**	**234,230**	**66,047**

[(1)] Corresponds to cash and cash equivalents from Aleph that could be only used for the purpose explained in Note 28.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Note 21. Share Capital and Capital Risk Management

21.1 Share capital

The following chart shows a reconciliation of the movements in equity of the Company from April 4, 2018 through December 31, 2018 and for the years ended December 31, 2020 and 2019:

	Serie A- Publicly traded shares	Serie A- Private Offering	Serie B	Serie C	Total
Balances as of April 4, 2018	**—**	**—**	**25**	**—**	**25**
Number of shares	**—**	**—**	**16,250,000**	**2**	**16,250,002**
Net value of Series A shares on April 4, 2018	627,582	90,238	—	—	717,820
Number of shares	65,000,000	9,500,000	—	—	74,500,000
Net value of Series A shares redeemed on April 4, 2018	(204,590)	—	—	—	(204,590)
Number of shares	(20,340,685)	—	—	—	(20,340,685)
Net value of Series B shares converted into Series A shares on April 4, 2018	25	—	(25)	—	—
Number of shares	16,250,000	—	(16,250,000)	—	—
Balances as of December 31, 2018	**423,017**	**90,238**	**—**	**—**	**513,255**
Number of shares	**60,909,315**	**9,500,000**	**—**	**2**	**70,409,317**
Net value of Series A shares on February 13, 2019	55,000	—	—	—	55,000
Number of shares	5,500,000	—	—	—	5,500,000
Net value of Series A shares on July 25, 2019	91,143	—	—	—	91,143
Number of shares	10,906,257	—	—	—	10,906,257
Series A shares granted for the LTIP	—	1	—	—	1
Number of shares	—	317,932	—	—	317,932
Balances as of December 31, 2019	**569,160**	**90,239**	**—**	**—**	**659,399**
Number of shares	**77,315,572**	**9,817,932**	**—**	**2**	**87,133,506**
Shares Series A shares granted for the LTIP	—	1	—	—	1
Number of shares	—	717,782	—	—	717,782
Balances as of December 31, 2020	**569,160**	**90,240**	**—**	**—**	**659,400**
Number of shares	**77,315,572**	**10,535.714**	**—**	**2**	**87,851,288**

1) Series A Publicly Traded Shares

On August 15, 2017, the Company concluded its IPO in the BMV, and as a result of this IPO, the Company issued on that date 65,000,000 Series A common shares for an amount of 650,017 minus the offering fees of 9,988. This Series A common shares were redeemable during the first 24 months of the IPO or at the shareholders election once the Initial Business Combination were approved.

The funds received were invested in a security deposit account located in the United Kingdom (the "Escrow Account") with Citibank N.A. London branch acting as depository. The Company used those amounts in connection with the Initial Business Combination or for reimbursements to Series A shareholders that exercised their redemption rights.

After the initial recognition, the funds received from the Series A shares, net of offer expenses, were measured subsequently at their amortized cost using the effective interest rate method. Profits and losses were recognized in profit or loss when the liabilities are written off, as well as through the amortization process through the method of the effective interest rate.

On April 4, 2018, the Company consummated its Initial Business Combination for an amount of 653,781 minus the offering fees of 26,199, the funds accumulated in the Escrow Account.

About 31.29% of the holders of the Series A redeemable common shares exercised their redemption rights aforementioned; as a result, 20,340,685 shares were redeemed for an amount of 204,590. The resources came from the cash held in the Escrow Account. The holders of remaining Series A redeemable common shares decided not to exercise their redemption right and, as a result, an amount of 442,491 net of offering expenses paid for an amount of 6,700, was capitalized on that date. In addition, on the same date the Company paid deferred offering expenses at IPO for 19,500. The capitalization of 442,491 did not generate cash flow, while the payment of offering expenses was made using the proceeds held in the Escrow Account.

On February 13, 2019 the Company completed the sale of 5,500,000 of series A shares and 5,000,000 of warrants to purchase series A shares for an aggregate amount of 55,000 to Kensington Investments B.V., pursuant to a Forward Purchase Agreement and certain subscription commitment.

On July 25, 2019, the Company made a global offering in Mexico and United States, as a result of both transactions the Company issued a total of 10,906,257 new Series A shares.

The global offering consisted of:

(i) an international offering in the United States and other countries outside of Mexico of 10,091,257 American Depositary Shares ("ADS"), each one representing one Series A share, at a price of 9.25 US/ADS. The ADS are listed on the NYSE under the ticker "VIST"; and

(ii) a concurrent public offering in Mexico of 815,000 Series A shares at a price equivalent to US 9.25 in Mexican pesos per Series A share.

For the global offering, the Company obtained net resources of offering expenses for 91,143.

2) Series A Private Offering

On December 18, 2017, the shareholders' meeting approved an increase in the variable capital stock for an amount of 1,000,000 through the subscription of 100,000,000 Series A common shares as a result of a potential Initial Business Combination disclosed in Note 32.

On April 4, 2018 9,500,000 Series A common shares were fully paid and subscribed for an amount of 95,000 through a shares' subscription process approved by the shareholders. In addition, 500,000 Series A common shares amounting for 5,000 were also committed as part of the same subscription process. Aggregate costs associated with the shares' subscription process amount for 4,073.

As disclosed in Note 34, on March 22, 2018, the Company shareholders' approved 8,750,000 common shares to be held in treasury to be used to implement the LTIP, at the discretion of the Administrator of the Plan, based on the opinion of independent experts.

The remaining Series A common shares issued on December 18, 2017 not used for purposes of completing the shares' subscription process described above or for the LTIP, were cancelled on April 4, 2018 pursuant to the terms approved by the shareholders on December 18, 2017. As part of the LTIP, the Company will enter into a trust agreement (the "Administrative Trust") to deposit the Series A shares to be used thereunder.

For the year ended December 31,2020 and 2019, the Company granted 717,782 and 317,932 Serie A shares that were in treasury to be used to implement the LTIP.

As of December 31, 2020, 2019, and 2018, the Company's variable share capital consisted of 87,851,286, 87,133,504 and 70,409,315 Series A common shares with no face value each, respectively, and each granting the right to one vote, issued and fully paid. As of December 31, 2020, 2019, and 2018, the authorized common capital of the Company includes 40,940,953, 41,658,735 and 47,476,667 Series A common shares in its treasury, which can be used in connection with the Warrants, the Forward Purchase Agreements and LTIP.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

3) Series B

Prior to the Company's initial global offering, by means of unanimous shareholders' resolutions dated May 30, 2017, the shareholders of the Company, among other matters, resolved to increase the variable portion of the capital stock of the Company in the amount of 25,000, through the issuance of common, nominative, shares, without expression of their nominal value.

On April 4, 2018, these shares were converted to Series A shares.

4) Series C

The variable portion of the Company's capital stock is of unlimited amount pursuant to the bylaws and the applicable laws, whereas, the fixed portion of the Company's capital stock is divided into 2 class C shares.

21.2 Capital risk management

On managing capital, the Company aims to safeguard its capacity to continue operating as an on-going business with the purpose of generating return for its shareholders and benefits to other stakeholders and keeping an optimal capital structure.

The Company to maintain or adjust the capital structure, may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares, conduct stock purchase programs or sell assets to reduce its debt. The Company monitors its capital based on the leverage ratio. This ratio is calculated by dividing: (i) the net debt (the borrowings and leases liabilities minus cash, bank balances and short-term investments) by, (ii) the total capital (the shareholders' equity as shown in the consolidated statements of financial position including all reserve).

Financial leverage ratios as of December 31, 2020, 2019 and 2018, is as follows:

	Sucessor- December 31, 2020	Sucessor- December 31, 2019	Sucessor- December 31, 2018
Total borrowings and leases liabilities	563,467	468,180	304,767
Less: cash, bank balances and short-term investments	(202,947)	(260,028)	(80,908)
Net debt	360,520	208,152	223,859
Total shareholders' equity	508,518	603,716	479,657
Leverage ratio	**71.00%**	**34.00%**	**47.00%**

No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2020 and 2019 and for the period from April 4, 2018 through December 31, 2018.

Note 22. Provisions

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Non-current			
Asset retirement obligation	23,349	20,987	15,430
Environmental remediation	560	159	756
Total non-current	**23,909**	**21,146**	**16,186**

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Current			
Asset retirement obligation	584	761	823
Environmental remediation	1,141	2,340	2,968
Contingencies	359	322	349
Total current	**2,084**	**3,423**	**4,140**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

22.1 Provision for asset retirement obligation

In accordance with the regulations applicable in the countries where the Company (directly or indirectly through subsidiaries) performs oil and gas E&P activities, the Company must incur costs associated with asset retirement obligation. The Company has not pledged any assets for settling such obligations.

The asset retirement obligation provision represents the present value of decommissioning costs relating to oil and gas properties, which are expected to be incurred up to the end of each concession, when the producing oil and gas wells are expected to cease operations. These provisions have been created based on the Company's internal estimates or Operator's estimates, as applicable.

Assumptions based on the current economic environment have been made, which management believes form a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual asset retirement obligation costs will ultimately depend upon future market prices for the necessary asset retirement obligation works required that will reflect market conditions at the relevant time. Furthermore, the timing of asset retirement obligation is likely to depend on when the fields cease to produce at economically viable rates. This, in turn, will depend upon future oil and gas prices, which are inherently uncertain.

The discount rate used in the calculation of the provision as of December 31, 2020 ranges between 9.32% and 12.42% and for December 31, 2019 and December 31, 2018 it is 10.59% and 10.03% respectively.

The Company has performed a sensitivity analysis relating to the discount rate. The 1% increase or decrease in the discount rate would not have a significant impact on the Company's assets retirement obligation provision.

Movements of the period/year on the provision for asset retirement obligation:

	Consolidated-Successor for the year ended December 31, 2020	Consolidated-Successor for the year ended December 31, 2019	Consolidated-Successor for the period from April 4, 2018 through December 31, 2018	Predecessor for the period from January 1, 2018 through April 3, 2018
At the beginning of the period/year	21,748	16,253	15,587	15,642
Increases for business combination (Note 32)	—	—	11,201	—
Unwinding of discount on asset retirement obligation (Note 11.3)	2,584	1,723	897	233
Increase / (Decrease) from change in estimates capitalized	(366)	4,141	(11,432)	(288)
Amounts incurred due to utilization	—	(236)	—	—
Exchange differences	(33)	(133)	—	—
At the end of the period/year	**23,933**	**21,748**	**16,253**	**15,587**

22.2 Provision for environmental remediation

The Company undertakes environmental impact studies for new projects and investments and, to date, environmental requirements and restrictions imposed on these new projects have not had any material adverse impact on the Company's business.

The Company has performed a sensitivity analysis relating to the discount rate. The 1% increase or decrease in the discount rate would not have a significant impact on the Company's results of operations.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Movements of the period/year on the provision for environmental remediation:

	Consolidated-Successor for the year ended December 31, 2020	Consolidated-Successor for the year ended December 31, 2019	Consolidated-Successor for the period from April 4, 2018 through December 31, 2018	Predecessor for the period from January 1, 2018 through April 3, 2018
At the beginning of the period/year	2,499	3,724	1,002	1,112
Increases for business combinations (Note 32)	—	—	4,044	—
Increases (Note 10.2)	463	816	1,168	12
Exchange differences	(1,261)	(2,041)	(2,490)	(122)
At the end of the period/ year	**1,701**	**2,499**	**3,724**	**1,002**

22.3 Provision for contingencies

The Company (directly or indirectly through subsidiaries) is a party to several civil, commercial, tax and labor proceedings and claims that arise in the ordinary course of its business. In determining a proper level of provision to estimate the amounts and probability of occurrence, the Company has considered its best estimate with the assistance of legal and tax advisors.

The determination of estimates may change in the future due to new developments or unknown facts at the time of evaluation of the provision. Consequently, the adverse resolution of the evaluated proceedings and claims could exceed the established provision.

As of December 31, 2020, December 31, 2019 and December 31, 2018, the Group are involved in various claims and legal actions arising in the ordinary course of business. Out of the total claims and legal actions in the aggregate claimed amount of 428, 469 and 391, respectively as of such date management has estimated a probable loss of 359, 322 and 349, respectively.

In addition, certain proceedings are considered to be contingent liabilities related to labor, civil, commercial and other actions which, as of December 31, 2020, December 31, 2019 and December 31, 2018, amount to a total of 69, 147 and 42, respectively, and which the Company has not recognized them as it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. See Note 29 for additional details on the main contingent assets as of December 31, 2020, December 31, 2019 and December 31, 2018.

The Company, bearing in mind the opinion of the Company's legal counsel, considers that the amount of the provision is sufficient to afford the contingencies that may occur. There are no individual claims or other matters, that individually or in the aggregate, have not been provisioned or disclosed by the Company, which amounts are material to the financial statements.

Movements of the period/year on the provision for contingencies:

	Consolidated-Successor for the year ended December 31, 2020	Consolidated-Successor for the year ended December 31, 2019	Consolidated-Successor for the period from April 4, 2018 through December 31, 2018	Predecessor for the period from January 1, 2018 through April 3, 2018
At the beginning of the period/year	322	349	51	55
Increases for business combinations (Note 32)	—	—	151	—
Increases (Note 10.2)	267	422	240	2
Amounts incurred due to payments/utilization	—	(63)	(9)	(6)
Exchange differences	(230)	(386)	(84)	
At the end of the period/year	**359**	**322**	**349**	**51**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Note 23. Employee defined benefits plans obligation

The main characteristics of benefit plans granted only to certain employees from the Entre Lomas joint operation are detailed below:

Benefit plan whereby Company employees meeting certain conditions, who have participated in the defined benefit plan in an uninterrupted manner and who, having joined the Company before May 31, 1995, have the required number of years of service, are eligible to receive upon retirement a certain amount according to the provisions of the plan.

The benefit is based on the last computable salary and the number of years working for the Company after deducting the benefits from the Argentine pension system managed by Administración Nacional de Seguridad Social ("ANSES").

At the time of retirement, employees are entitled to receive a monthly payment at constant value, which is updated at the end of each year by the Consumer Price Index ("IPC") published by the Institute of National Statistics and Census (Instituto Nacional de Estadísticas y Censos or "INDEC") of Argentina. If during a certain year, the variation of exceeds 10%, the payment is adjusted provisionally once this percentage has been exceeded.

This plan requires the Company to contribute to a trust fund. The plan calls for a contribution to a fund exclusively funded by the Company and without any contribution by the employees. The assets of the fund are contributed to a trust fund and invested in US denominated money market instruments or fixed term deposits in order to preserve the accumulated capital and obtain a return in line with a moderate risk profile. The funds are mainly invested in U.S. government bonds, U.S. treasury notes and quality commercial papers.

The Bank of New York Mellon is the trustee and Willis Towers Watson is the managing agent. In case there is an excess (duly certified by an independent actuary) of the funds to be used to settle the benefits granted by the plan, the Company may have the option to use such excess, in which case it may have to notify the trustee thereof. As of December 31, 2020, the funds of the plan were invested in U.S. government bonds and the Company cannot dispose of such funds.

The following tables summarizes the components of net expense and long-term employee benefits liability in the consolidated financial statements:

	Successor – As of December 31, 2020	Successor – As of December 31, 2019	Successor – As of December 31, 2018	Predecessor – As of April 4, 2018
Cost of the current services	(60)	(68)	(99)	(38)
Cost of interest	(190)	(152)	(446)	(126)
Reductions	—	—	177	—
Return on plan assets	—	—	—	56
Total	**(250)**	**(220)**	**(368)**	**(108)**

	Successor – December 31, 2020		
	Present value of the obligation	Fair value of plan assets	Net liability at the end of the year
Balances at the beginning of the year	(12,351)	7,882	(4,469)
Items classified in profit or loss			
Current services cost	(60)	—	(60)
Cost for interest	(587)	397	(190)
Items classified in other comprehensive income			
Actuarial loss	735	(275)	460
Benefit payments	798	(798)	—
Contributions paid	—	798	798
Balances at the end of the year	**(11,465)**	**8,004**	**(3,461)**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

	Successor – December 31, 2020 Successor – December 31, 2019		
	Present value of the obligation	**Fair value of plan assets**	**Net liability at the end of the year**
Balances at the beginning of the year	(11,014)	7.712	(3,302)
Items classified in profit or loss			
Current services cost	(68)	—	(68)
Cost for interest	(541)	389	(152)
Items classified in other comprehensive income			
Actuarial loss	(1,358)	(219)	(1,577)
Benefit payments	630	(630)	—
Contributions paid	—	630	630
Balances at the end of the year	**(12,351)**	**7,882**	**(4,469)**

	Successor – December 31, 2018		
	Present value of the obligation	**Fair value of plan assets**	**Net liability at the end of the year**
Balances at the beginning of the year	(10,481)	5,656	(4,825)
Increase for business combination	(3,847)	2,076	(1,771)
Items classified in profit or loss			
Current services cost	(99)	—	(99)
Cost for interest	(446)	(20)	(466)
Reductions	177	—	177
Exchange differences on translation gain (loss)	257	—	257
Items classified in other comprehensive income			
Actuarial gains	2,698	—	2,698
Benefit payments	727	(727)	—
Contributions paid	—	727	727
Balances at the end of the year	**(11,014)**	**7,712**	**(3,302)**

	Predecessor-April 3, 2018		
	Present value of the obligation	**Fair value of plan assets**	**Net liability at the end of the period**
Balances at the beginning of the period	(10,317)	5,634	(4,683)
Items classified in profit or loss			
Current services cost	(38)	—	(38)
Cost for interest	(126)	—	(126)
Reductions	—	56	56
Exchange differences on translation	(57)	(34)	(91)
Items classified in other comprehensive income			
Actuarial (losses) gains	(89)	—	(89)
Benefit payments	146	(146)	—
Contributions paid	—	146	146
Balances at the end of the period	**(10,481)**	**5,656**	**(4,825)**

The fair value of the plan assets at the end of each reporting period by category, are as follows:

	Successor-December 31, 2020	**Successor-December 31, 2019**	**Successor-December 31, 2018**
Cash and cash equivalents	—	—	7,712
Debt instruments categorized by issuers' credit rating:			
- US Government bonds	8,004	7,882	—
Total	**8,004**	**7,882**	**7,712**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Estimated expected benefits payments for the next ten (10) years are shown below. The amounts in the table represent the undiscounted cash flows and therefore do not reconcile to the obligations recorded at the end of the year.

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Less than one year	901	871	743
One to two years	889	851	825
Two to three years	899	836	811
Three to four years	884	856	800
Four to five years	885	839	783
Six to ten years	4,239	4,554	3,869

Significant actuarial assumptions used were as follows:

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Discount rate	5%	5%	5%
Assets return rate	5%	5%	—
Salaries increase	1%	1%	1%

The following sensitivity analysis shows the effect of a variation in the discount rate and salaries increase on the obligation amount.

If the discount rate would be 100 basis points higher (lower), the defined benefit obligation would decrease by 943 (increase by 1,199) as of December 31, 2020, decrease by 1,156 (increase by 1,379) as of December 31, 2019, and decrease by 1,011 (increase by 1,203) as of December 31, 2018

If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would increase by 70 (decrease by 62) as of December 31, 2020, increase by 179 (decrease by 198) as of December 31, 2019 and increase by 197 (decrease by 183) as of December 31, 2018.

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of each reporting period, based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. Therefore, the presented analysis may not be representative of the actual change in the defined benefit obligation. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Furthermore, in presenting the above mentioned sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of each year, which is the same as that applied in calculating the defined benefit obligation liability recognized in the consolidated statements of financial position.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Note 24. Salaries and social security payable

Current	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Provision for gratifications and bonus	7,029	9,086	5,423
Salaries and social security contributions	4,479	3,467	925
Total current	**11,508**	**12,553**	**6,348**

Note 25. Other taxes and royalties payable

Current	Successor December 31, 2020	Successor December 31, 2019	Successor December 31, 2018
Royalties	4,152	4,539	5,467
Tax withholdings payable	843	866	909
VAT	46	597	—
Turnover tax	—	—	139
Others	76	38	—
Total current	5,117	6,040	6,515

Note 26. Accounts payable and accrued liabilities

Non-Current	Successor December 31, 2020	Successor December 31, 2019	Successor December 31, 2018
Accrued liabilities:			
Extraordinary canon on SGIC	—	419	1,007
Total non-current accounts payable and accrued liabilities	**—**	**419**	**1,007**

Current			
Accounts payable:			
Suppliers	117,409	59,264	73,609
Total current accounts payable	**117,409**	**59,264**	**73,609**
Accrued liabilities:			
Balances with joint operations	664	69	1,023
Extraordinary canon on SGIC	546	1,436	769
Related parties (Note 27 and 28)	—	24,839	—
Sundry debtors- Put option (Note 28)	—	12,661	—
Concession extension bonus Bajada del Palo payable (Note 30.3.2)	—	—	7,899
Directors' fees	—	—	1,034
Total current accrued liabilities	**1,210**	**39,005**	**10,725**
Total current accounts payable and accrued liabilities	**118,619**	**98,269**	**84,334**

Due to the short-term nature of the current accounts payable and accrued liabilities, their carrying amount is considered to be the same as their fair value. The carrying amount of the non-current accrued liabilities does not differ significantly from its fair value.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Note 27. Related parties transactions and balances

Note 2.3 provides information about the Company's structure, including details of the subsidiaries, the holding company (Successor) and the Predecessor Company.

The following table provides the total amount of transactions that have been entered into with related parties for the period/year.

	Successor for the year ended December 31, 2020	Successor for the year ended December 31, 2019	Successor for the period from April 4, 2018 through December 31, 2018	Predecessor for the period from January 1, 2018 through April 3, 2018
Revenue from crude oil				
Pampa Energía S.A. (former Parent of PELSA)	—	—	—	31,501
Revenue from natural gas				
Pampa Energía S.A. (former Parent of PELSA)	—	—	—	2,647
Pampa Comercializadora S.A. (Subsidiary of the former Parent of PELSA)	—	—	—	7,726
Exploitation services				
Veta Escondida y Rincón de Aranda U.T.E. (Joint operation in which the former parent of PELSA participate)	—	—	—	32
Purchases of goods and services				
SHM S. de R.L. de C.V. (affiliate of Riverstone Holdings, LLC -Shareholder of VISTA)	—	—	186	—
Pampa Energía S.A. (former Parent of PELSA)	—	—	—	(546)
Selling expenses				
Pampa Comercializadora S.A. (Subsidiary of the former Parent of PELSA)	—	—	—	(91)
Oleoductos del Valle S.A. (Subsidiary of the former Parent of PELSA)	—	—	—	(610)

Balances with related parties:

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Other receivables			
Riverstone Vista Capital Partners L.P.	—	—	186
REL Amsterdam [1]	—	2,355	—
Aleph Midstream Holding L.P [1]	—	814	—
Total	—	3,169	186
Trade payable and accrued liabilities			
REL Amsterdam [2]	—	24,032	—
Aleph Midstream Holding L.P [2]	—	807	—
Total	—	24,839	—

(1) Corresponds to loans granted to Aleph investors, detailed in Note 28.
(2) Includes other accrued liabilities related to the investment agreement with Aleph, connected with the Put-Option. See Note 28

Outstanding balances at the period-end/year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables for the years ended December 31, 2020 and 2019, for the periods from April 4, 2018 through December 31, 2018, and for the period from January 1, 2018 through April 3, 2018.

Key management personnel remuneration

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

The amounts recognized in the consolidated statements of profit or loss and other comprehensive income, related to the company's key personnel are detailed below:

	Successor for year ended December 31, 2020	Successor for year ended December 31, 2019	Successor for the period from April 4, 2018 through December 31, 2018	Predecessor for the period from January 1, 2018 through April 3, 2018
Share-based payments	8,699	9,175	3,533	—
Short-term employee benefits	7,273	9,080	5,368	235
Total	**15,972**	**18,255**	**8,901**	**235**

As disclosed in Note 21.1, on May 30, 2017, VISTA entered into a private placement agreement with VISTA's independent directors and former independent director for the purposes of selling them 132,000 series B shares that were later converted into and as of December 31, 2018 are in the form of 132,000 series A shares representing VISTA's capital stock.

Finally, as disclosed in Note 21.1, on August 1, 2017 Vista's Sponsor, comprised by Vista Sponsor Holdings, L.P. and the Management Team, purchased of 29,680,000 warrants. Vista Sponsor Holdings, L.P., a limited partnership organized under the laws of Ontario, Canada, is controlled by senior professionals of Riverstone Investment Group LLC ("Riverstone"), a Delaware limited liability company, together with its affiliates and affiliated funds.

There are no other related party transactions.

Note 28. Aleph Midstream

As of December 31, 2018, Aleph was a subsidiary 100% controlled by VISTA. On June 27, 2019, Vista signed an investment agreement with an affiliate of Riverstone (a related party), an affiliate of Southern Cross Group ("the partners") to invest in Aleph, a midstream company in Argentina.

As part of the investment agreement the Company agreed to spin-off a group of assets that would be transferred to Aleph in exchange of equity through a split-merger agreement, defined below:

On July 17 and 18, 2019, the Boards of Directors of Vista Argentina and Aleph, respectively, resolved to initiate the procedures leading to the execution of a split-merger in accordance with the following guidelines: (i) the spin-off of a portion of some assets currently ("Split Assets") owned by Vista Argentina to Aleph for the development of an infrastructure project for the processing and transportation of hydrocarbons, including crude oil and gas, in the Neuquén Basin in the Argentine Republic that includes, (1) the oil treatment plant located in the "Entre Lomas" area, the gas treatment plant located in the "Entre Lomas" area, the oil treatment plant located in the "25 de Mayo-Medanito SE" area, the facilities for the treatment of the production water associated with the crude treatment plants in the "Entre Lomas" and "25 de Mayo-Medanito SE" areas; (2) the pipelines that connect the aforementioned plants with the trunk transportation system for crude oil operated by Oldelval S.A. and for gas operated by Transportadora del Gas del Sur S.A.; and certain liabilities associated to social liabilities; (ii) Aleph's absorption of the Split Assets in exchange for equity; and (iii) the assumption and continuation by Aleph of Company's activities and obligations in relation to the Split Assets.

From the date of the spin-off Aleph will be in a position to assume the exploitation of the Assets spined-off by Vista Argentina.

On February 26, 2020, the Company's Board of Directors approved certain changes in the Company's participation in Aleph's capital structure. The Company enters into an agreement with the Partners to reacquire the participation in the subscribed and outstanding capital of said Partners in Aleph, at a total purchase price of 37,500 (equivalent to the entire equity effectively contributed to Aleph by

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

the Partners). The Company made the payment on March 31, 2020, and as of such date, Aleph became a 100% subsidiary of the Company.

Note 29. Commitments and contingencies

For a description of the Company's investment commitments regarding its oil and gas properties. (See Note 30.4).

29.1 Asociación de Superficiarios de la Patagonía ("ASSUPA")

On July 1, 2004, Vista Argentina (previously "Petrolera entre Lomas S.A." or "PELSA") was notified about a complaint filed against it. In August 2003, ASSUPA sued 18 companies operating exploitation concessions and exploration permits in the Neuquén Basin, PELSA being one of them.

ASSUPA claimings the remediation of the general environmental damage purportedly caused in the execution of such activities, in addition to the establishment of an environmental restoration fund, and the implementation of measures to prevent environmental damages in the future. The plaintiff requested that the Argentine Government, the Federal Environmental Council ("Consejo Federal de Medio Ambiente"), the Provinces of Buenos Aires, La Pampa, Neuquén, Río Negro and Mendoza and the Ombudsman of the Nation be summoned. It requested, as a preliminary injunction, that the defendants refrain from carrying out activities affecting the environment. Both the Ombudsman's summon as well as the requested preliminary injunction were rejected by the Supreme Court of Justice of Argentina ("CSJN"). PELSA has answered the demand requesting its rejection, opposing failure of the plaintiff.

On December 30, 2014, the CSJN issued two interlocutory judgments. The Company's related supported the claim of the Provinces of Neuquén and La Pampa and declared that all environmental damages related to local and provincial situations were outside the scope of its original jurisdiction, and that only "inter-jurisdictional situations" (such as the Colorado River basin) would fall under its jurisdiction. The CSJN also rejected precautionary measures and other proceedings related to such request.
Vista Argentina, considering the opinion of the legal counsel, concluded that it is not probable that an outflow of resources embodying economic benefits will be required to settle this obligation.

As of the date of issuance of these financial statements, the file has not yet been opened for testing, as the parties are in the process of digitizing the answers to the claim and accompanied documentary.

Note 30. Operations in hydrocarbon consortiums

30.1 General considerations

The hydrocarbon areas are operated by granting exploration permits or exploitation concessions by the national or provincial government based on the availability of hydrocarbons that are produced.

30.2 Oil and gas properties and participation in joint operations

As of December 31, 2020, the Company through its subsidiaries is the owner and is part of the joint operations and consortia for the exploration and production of oil and gas as indicated below:

Name	Location	Working interest		Operator	Duration
		Direct	Indirect		Up To
Argentina					
25 de Mayo - Medanito S.E.	Río Negro	—	100%	Vista Argentina	2026
Jagüel de los Machos	Río Negro	—	100%	Vista Argentina	2025
Bajada del Palo Este	Neuquén	—	100%	Vista Argentina	2053
Bajada del Palo Oeste	Neuquén	—	100%	Vista Argentina	2053
Entre Lomas	Río Negro	—	100%	Vista Argentina	2026
Entre Lomas	Neuquén	—	100%	Vista Argentina	2026
Agua Amarga - "Charco del Palenque"	Río Negro	—	100%	Vista Argentina	2034
Agua Amarga - "Jarilla Quemada"	Río Negro	—	100%	Vista Argentina	2040

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Coirón Amargo Sur Oeste	Neuquén	—	10%	Shell Argentina S.A.	2053
Coirón Amargo Norte	Neuquén	—	84.62%	Vista Argentina	2036
Acambuco - "San Pedrito"	Salta	—	1.5%	Pan American Energy	2036
Acambuco - "Macueca"	Salta	—	1.5%	Pan American Energy	2040
Sur Río Deseado Este	Santa Cruz	—	16.9%	Alianza Petrolera Argentina S.A.	2021
Águila Mora	Neuquén	—	90%	Vista Argentina	2054
México					
Block CS-01	Tabasco	—	50%	Vista Holding II	2047
Block A-10	Tabasco	—	50%	Jaguar	2047
Block TM-01	Veracruz	—	50%	Jaguar	2047

As of December 31, 2019, and 2018 the Company through its subsidiaries is the owner and is part of the joint operations and consortia for the exploration and production of oil and gas as indicated below:

Name	Location	Working interest Direct	Working interest Indirect	Operator	Duration Up To
Argentina					
25 de Mayo - Medanito S.E.	Río Negro	—	100%	Vista Argentina	2026
Jagüel de los Machos	Río Negro	—	100%	Vista Argentina	2025
Bajada del Palo Este	Neuquén	—	100%	Vista Argentina	2053
Bajada del Palo Oeste	Neuquén	—	100%	Vista Argentina	2053
Entre Lomas	Río Negro	—	100%	Vista Argentina	2026
Entre Lomas	Neuquén	—	100%	Vista Argentina	2026
Agua Amarga - "Charco del Palenque"	Río Negro	—	100%	Vista Argentina	2034
Agua Amarga - "Jarilla Quemada"	Río Negro	—	100%	Vista Argentina	2040
Coirón Amargo Sur Oeste	Neuquén	—	10%	Shell Argentina S.A.	2053
Coirón Amargo Norte	Neuquén	—	55%	Vista Argentina	2036
Acambuco - "San Pedrito"	Salta	—	1.5%	Pan American Energy	2036
Acambuco - "Macueca"	Salta	—	1.5%	Pan American Energy	2040
Sur Río Deseado Este	Santa Cruz	—	16.9%	Alianza Petrolera Argentina S.A.	2021
Águila Mora	Neuquén	—	90%	Vista Argentina	2054
México					
Block CS-01	Tabasco	—	50%	Jaguar	2047
Block A-10	Tabasco	—	50%	Jaguar	2047
Block TM-01	Veracruz	—	50%	Jaguar	2047

As of December 31, 2017, PELSA is part of the joint operations and consortia for the exploration and production of oil and gas as indicated below:

Name	Location	Working interest Direct	Working interest Indirect	Operator	Duration Up To
Argentina					
Bajada del Palo	Neuquén	73.15%	—	PELSA	2025
Entre Lomas	Río Negro and Neuquén	73.15%	—	PELSA	2026
Agua Amarga	Río Negro	73.15%	—	PELSA	2034/2040

Summarized financial information in respect of the Company's material joint operations which assets, liabilities, revenues and expenses are not accounted for at 100% in the Company's financial statements are set out below. The summarized financial

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

information below represents amounts prepared in accordance with IFRSs at their respective working interests, adjusted by the Company for accounting purposes.

	Successor December 31, 2020	Successor December 31, 2019	Successor December 31, 2018
Assets			
Non-current assets	11,465	8,221	14,950
Current assets	3,967	3,026	1,488
Liabilities			
Non-current liabilities	1,353	918	483
Current liabilities	3,509	3,374	3,307

	Successor for the year ended December 31, 2020	Successor for the year ended December 31, 2019	Successor for the period from April 4, 2018 through December 31, 2018	Predecessor for the period from January 1, 2018 through April 3, 2018
Cost of sales	(4,914)	(9,103)	(12,120)	(40,846)
Selling expenses	(4)	(106)	(46)	(5,304)
General and administrative expenses	(1,760)	(1,488)	(230)	(1,494)
Exploration expenses	(646)	(667)	(2)	(134)
Other operating income and expenses	(1,385)	(74)	(390)	51
Financial results, net	56	(961)	988	1,706
Total costs and expenses for the period/year	**(8,653)**	**(12,399)**	**(11,800)**	**(46,021)**

30.3 Concessions and changes in working interest oil and gas properties

30.3.1 Entre Lomas area

Vista Argentina (previously "PELSA") is the 100% operator and holder in the concession for the exploitation of hydrocarbons in Entre Lomas area ("ELo"), located in the provinces of Río Negro and Neuquén. The concession contract, renegotiated in 1991 and 1994, respectively granted the availability of crude oil and natural gas produced, and determined term of the concession until January 21, 2016.

On December 9, 2014, Vista Argentina reached a renegotiation agreement with the Province of Río Negro of the concession in Elo area, approved by Provincial Decree No. 1,706/2014, through this agreement it was allowing to extend ten (10) year the ELo area until January 2026, committing, among other conditions, the payment of a fixed bond and a contribution to social development and institutional strengthening, a complementary contribution equivalent to 3% of oil and gas production and an important plan for the development and exploration of reserves and resources, and environmental remediation.

Likewise, the provincial government of Neuquén agreed to extend the concession contract of ELo corresponding to the Province of Neuquén for a term of ten (10) years until January 2026. In accordance with the extension agreement, Vista Argentina agreed to invest the totality of ARS 237 million in future exploitation and exploration activities to be carried out in the exploitation concession. Royalties increased from the previous rate of 12% to 15% and could increase to a maximum of 18%, depending on future increases in sales prices of the hydrocarbons produced.

30.3.2 Bajada del Palo Oeste and Bajada del Palo Este area

On December 21, 2018, the Province of Neuquén approved Decree No. 2,357/18 about the transformation of the exploitation concession in the Bajada del Palo area, operated by Vista Argentina, into two Production Concession for Unconventional Hidrocarburns ("CENCH"), Bajada del Palo Oeste and Bajada del Palo Este. The two concessions are for a term of 35 years, include the payment of fixed royalties of 12% for new production from the shale (shale rock) formations. This permission replaces the concession of conventional exploitation of this area.

The Company paid the Province of Neuquén the following concepts in the unconventional exploitation concessions for both areas: (i) exploitation bonus for a total of approximately 1,168, (ii) Infrastructure bond for a total of approximately 2,796; (iii) Corporate Social Responsibility for an amount of approximately 3,935; (iv) an important plan for the development and exploration of reserves. Likewise, Vista paid the amount of approximately 1,102 as stamp tax at the closing of the transaction. See Note 30.4 for more information about investment agreement.

30.3.3 Agua Amarga area

Vista Argentina is the owner and operator of the operating lots called Charco del Palenque and Jarilla Quemada in the Agua Amarga area, located in the Province of Rio Negro.

In 2007, Vista Argentina obtained the exploration permit on the Agua Amarga Area located in the Province of Río Negro. Provincial Decree No. 557/07 and the signing of the respective contract on May 17 of the same year formalized the agreement. Based on the results of the exploration carried out in the Agua Amarga Area, the Province of Río Negro granted the Concession of Exploitation of the Charco del Palenque field, on October 28, 2009, by means of the Provincial Decree No. 874 and its rectification No. 922, dated November 13, 2009, for exploitation for a term of twenty-five (25) years.

The enforcement authority of the Province of Río Negro accepted the inclusion of Meseta Filosa sector to the concession previously granted by Charco del Palenque, through Provincial Decree No. 1,665 dated November 8, 2011, published in the Official Gazette No. 4,991 of December 1, 2011.

Subsequently, the enforcement authority of the Province of Río Negro approved the inclusion of Charco del Palenque Sur sector to the previously granted concession of Charco del Palenque, by means of Provincial Decree No. 1,199 dated August 6, 2015. In addition, in the same date the Provincial Decree No. 1,207 gave Vista Argentina the exploitation concession for Jarilla Quemada field.

The exploitation concession Charco del Palenque is effective until 2034 and the exploitation concession Jarilla Quemada is effective until 2040.

30.3.4 Coirón Amargo Norte y Coirón Amargo Sur Oeste

Originally, the JOA Coirón Amargo had an exploitation concession in the North Area (“Coirón Amargo Norte”) and an evaluation field in the South Area (“Coirón Amargo Sur”), effective until the year 2036 and 2017, respectively.

On July 11, 2016, the joint operators entered into an agreement for assignment of participating interest, through which the area was divided into three oil and gas properties: Coirón Amargo Norte (“CAN”), CASO and Coirón Amargo Sur Este (“CASE”).

Coirón Amargo Norte

CAN join operators are APCO Oil & Gas S.A.U. (“APCO SAU” currently Vista Argentina) with a 55% working interest, Madalena Energy Argentina S.R.L. (“Madalena”) with 35% working interest and Gas y Petróleo de Neuquén S.A. (“G&P”) with the remaining 10%. Vista Argentina is the operator since that date. The expiration date of the exploitation concession remains in 2036.

On December 28, 2017, the partners in the joint CAN agreement signed an Operational Committee Act approving the implementation of the "Carry Petrolero", as a result of the foregoing, the partners agreed that contributions made and to be made in the future will be recognized as greater assets and / or expenses, as appropriate, in terms of the amounts actually disbursed by them, regardless of the percentages of contractual participation.

Since that date until June 30, 2020 Vista Argentina recognized participation in this joint operation of 61.11%, which is comprised of its contractual share of 55% plus the incremental participation acquired from G&P of 6.11%.

On July 7, 2020, due to default of payment in joint venture partner, Madalena, and in accordance with the provisions of Coirón Amargo Norte JOA, Vista Argentina jointly with its partner GyP, proceeded to exclude Madalena from the JOA because of such breach, through the subscription of Addendum VIII to the JOA that aims to exploration and exploitation of CAN.

As per the JOA provisions Vista has the right to claim all payments made on Madalena's behalf.

Through Resolution No. 71/20 of the Ministry of Energy and Natural Resources, Addendum VIII to the JOA Contract was approved and as of November 6, 2021 by Decree No. 1,292/2020 said approval was ratified with retroactive effects. As consequence, the Company through its subsidiary Vista Argentina, increased its participating interest in the JOA from 55% to 84.62% without economic compensation.

As of said date, and maintaining the aforementioned "Carry Petrolero", the Company recognizes in the consolidated financial statements its 100% participation in this joint operation.

Coirón Amargo Sur Oeste

The joint operators were APCO SAU (currently Vista Argentina) with a 45% participation in the joint operation; O&G Development Ltd S.A. ("O&G", actually Shell Argentina S.A. or "Shell") with a 45% and G&P with the rest of 10%.

On August 22, 2018, Vista Argentina assignment to O&G a subsidiary of Royal Dutch Shell plc. ("Shell") 35% non-operated working interest in the CASO oil and gas property. See Note 30.3.5.

Currently the joint operators of CASO are Vista Argentina, Shell and G&P with working interests of 10%, 80% y 10% respectively, being Shell the designated operator. On September 25, 2018 though Decree No. 1,578/18, the evaluation lot of CASO became in an CENCH for a term of 35 years, expiring accordingly in the year 2053.

As in the CAN area, the CASO joint operators maintain a "Carry Petrolero" agreement for the participation of G&P, accounting Vista Argentina its participation in this joint operation for 11.11%.

See Note 30.4 for more details on investment agreement.

30.3.5 Águila Mora

On August 22, 2018, APCO SAU (currently Vista Argentina) entered into a cross assignment of rights agreement ("the Aguila Mora Swap Agreement"), whereby:

(i) Vista Argentina assigned to O&G a 35% non-operated working interest in the CASO oil and gas property;

(ii) O&G assigned to Vista Argentina a 90% operated working interest in the Águila Mora oil and gas property, plus a 10,000 contribution for the upgrade of an existing water infrastructure for the benefit of the operations of Shell and Vista Argentina.

The Aguila Mora Swap Agreement was approved by the province of Neuquén on November 22, 2018. Therefore, as of such date, Vista retained a 10% working interest in the CASO oil and gas property and held a 90% working interest in the Águila Mora oil and gas property, becoming the operator of the latter. This transaction was measured at the fair value of participant interest assigned to O&G and no gain or loss was recorded as a result of the transaction.

Vista Argentina was notified of Decree No. 2,597 granted by the Governor of the Province of Neuquén by which the concession of unconventional exploitation over the "Águila Mora" area is granted in favor of the G&P company for a period of 35 years from the November 29, 2019 (renewable, when due and subject to certain conditions, for successive periods of 10 years), replacing the previously unconventional exploration permit granted.

Vista Argentina maintains a "Carry Petrolero" for the participation of G&P, accounting its participation in this joint operation for 100%. See Note 30.4 for more details on investment agreement.

30.3.6. Jagüel de los Machos

Jagüel de los Machos is an exploitation concession located in the province of Rio Negro.

Decree No. 1,769/90 granted an exploitation concession for 25 years over the Jagüel de los Machos area to Naviera Perez Companc S.A.C.F.I.M.F.A (currently, Pampa Energía S.A.). Subsequently, by means of Decree No. 1,708/08 of the Province of Rio Negro, the exploitation concession was extended for ten (10) years, expiring accordingly on September 6, 2025.

On April 4, 2018, Pampa Energía S.A. assigned to Vista Argentina 100% of its participation in the Jagüel de los Machos operating concession and on July 11, 2019 the Province of Rio Negro issued Decree No. 806/19 approving this assignment.

30.3.7. 25 de Mayo – Medanito S.E.

25 de Mayo – Medanito S.E. is an exploitation concession located in the province of Rio Negro.

Decree No. 2,164/91 reconverted the existing contract to that date on the area 25 de Mayo-Medanito S.E. in exploitation concession for 25 years. Subsequently, by means of Decree No. 1,708/08 of the Province of Rio Negro, the exploitation concession was extended for ten (10) years, expiring accordingly on October 28, 2026.

On April 4, 2018, Pampa Energía S.A. assigned Vista Argentina ceded 100% of its participation in the 25 de Mayo-Medanito S.E. operating concession. On July 11, 2019, the Province of Rio Negro issued the Decree No. 806/19 approving this assignment.

30.3.8. Acambuco

The Company holds a 1.5% participation for the exploitation concession of Acambuco, in the Northwest basin, located in the Province of Salta. The operator of this assessment oil and gas property is Pan American Energy LLC (Argentina Branch) which holds a 52% participation. The remaining interests are held by three other partners, YPF, Shell Argentina S.A. and Northwest Argentina Corporation which hold 22.5%, 22.5% and 1.5% interest, respectively.

The Acambuco exploitation concession includes two exploitation lots:

(i) San Pedrito whose commercial status was declared on February 14, 2001 and expires in 2036.

(ii) Macueta whose commercial status was declared on February 16, 2005 and expires in 2040.

30.3.9. Sur Rio Deseado Este

The Company holds a 16.95% participation interest in the exploitation concession of Sur Río Deseado Este in the Golfo San Jorge basin located in the Province of Santa Cruz. The operator of this assessment oil and gas property is Alianza Petrolera Argentina S.A. which holds a 54.14% participation. The remaining concessionaires are: Petrolera El Trébol S.A. and SECRA S.A., which has a 24.91% and 4% of participation, respectively. The concession expires on April 27, 2021, the Company has decided not to extend the term of the concession, and there are no outstanding capital commitments. Additionally, the Company has a 44% interest in an exploration agreement in a portion of the Sur Rio Deseado concession, being the operator of this agreement is Quintana E&P Argentina S.R.L

30.3.10 Mexico oil and gas properties

On October 29, 2018, the Company through its Mexican subsidiary Vista Holding II completed the acquisition, of 50% working interest in the following oil and gas properties, which expire in 2047:

(i) Block CS-01 (operated)

(ii) Block A-10 (not operated)

(iii) Block TM -10 (not operated)

On August 3, 2020 the CNH approved transfer of the operation control in the block CS-01, and the Company through its Mexican subsidiary Vista Holding II was designated as operator.
Additionally, on December 1, 2020, Vista Holding II, reached an agreement with Jaguar Exploración y Producción 2.3., S.A.P.I. de C.V. (“Jaguar”) and Pantera Exploración y Producción 2.2., S.A.P.I. de C.V. (“Pantera”), all of them companies incorporated in accordance with the laws of the United Mexican States, with respect to the assignment of the Company’s working interest in the hydrocarbon exploration and extraction license contracts in blocks A-10 and TM-01 in favor of Pantera and Jaguar, respectively; and the transfer of total working interest that Jaguar has in block CS-01 in favor of Vista Holding II.

Consequently, on December 17, 2020, in accordance with applicable legislation, the corresponding notice was submitted to CNH, and once the respective regulatory procedure is exhausted, if applicable, CNH may grant the Resolution that gives rise to the formalization of the transfer of working interests. Subject to the approval, and as a consequence, Vista Holding II will assume 100% of working interests of block CS-01, and will transfer, in its entirety, its participation in blocks A-10 and TM-01, in favor of Pantera and Jaguar, respectively.

30.4 Investment Commitment

As of December 31, 2020, the Company in Argentina has the following committed pending execution:

(i) in 25 de Mayo – Medanito S.E and Jagüel de los Machos oil and gas properties (Province of Río Negro), two (2) development wells, one (1) step-out wells and one (1) exploration wells for an estimated cost to fulfil this commitment of 5,620

(ii) in Entre Lomas concession (Province of Río Negro), eight (8) development wells, one (1) step-out wells, for an estimated cost of 19,800.

(iii) Fifteen (15) well workovers and abandon twenty-one (21) wells, in 25 de Mayo – Medanito S.E and Jagüel de los Machos oil and gas properties for an estimated cost of 9,413; and

(iv) Fifteen (15) well workovers and abandon three (3) wells, in Entre Lomas oil and gas property, for an estimated cost of 7,573.

Additionally, related to the granting of the CENCH, the Company was committed in the province of Neuquén:

(i) in Bajada del Palo Este to drill five (5) horizontal wells with its associated facilities for an estimated cost of 51,800 between 2019 and 2021, activity that is pending execution at the date of these financial statements; and

(ii) in Águila Mora concession, the Company was committed to put into production three (3) existing wells, to drill two (2) new horizontal wells with its associated facilities, for an estimated cost of 32,000, between 2020 and 2021. The commitment was partially executed, since during the first quarter of 2020 the reopening and putting into production of two (2) existing wells were completed.

The commitment acquired in Bajada del Palo Oeste area, was fully completed, for the year ended December 31, 2020, the Company drilled twenty-four (24) horizontal wells and completed twenty (20) of said wells. Likewise, its invested in associated facilities between 2018 and 2020 a total amount that exceed the 105,600 committed.

As of December 31, 2020, the Company in Mexico has the following commitments, pending execution:

(i) a total of 78,183 work units, which is equivalent to drill, complete and acquire data from five (5) wells in block CS-01, three (3) wells in block A-10 and two (2) wells in the block TM-01; for a total of 41,134 (20,567 to the percentage of participation of the Company).

30.5 Exploratory well costs

There are no balances nor activity for exploratory well costs for the years ended December 31, 2020 and 2019, the period from April 4, 2018 through December 31, 2018, and for the period from January 1, 2018 through April 3, 2018.

Note 31. Transport Concession

31.1 General considerations

The article 28 of the Argentine Federal Hydrocarbons Law ("LFH") provides that every holder of an exploitation concession has the right to obtain a concession for the transportation of their hydrocarbons. In accordance with the provisions of Article 6 of Decree No. 115/19, transport concessions that are granted after the issuance of this Decree will have complete independence and autonomy with respect to the exploitation concession that gives rise to it, so that the exploitation concession does not affect in any way the validity of the transport concession. The holder of a transport concession will be entitled to freely conclude the capacity reserve contracts in the terms provided in the Decree. These contracts may be freely negotiated as to their method of allocation, prices and volumes between the holder of a transport concession and the respective shippers.

31.2 Federal Transportation Concession

On November 22, 2019, the Secretariat of Energy issued Resolution No. 753/19 through which it granted Vista Argentina a concession to transport crude oil through the pipeline that will be extended from Borde Montuoso (in Bajada de Palo Oeste area – Province of Neuquén) to La Escondida pumping station (corresponding to Allen—Puerto Rosales pipeline – Province of Río Negro), operated by Oleoductos del Valle Sociedad Anónima. In the same date Vista Argentina assigned the concession mentioned to Aleph, as part of the agreement mentioned in Note 28.

The Concession of Federal Transportation was granted until December 19, 2053.

This federal transportation concession will transport production coming not only from Bajada de Palo Oeste Area, but also from Bajada del Palo Este; Coirón Amargo Norte; Charco del Palenque; and Entre Lomas, located in Province of Neuquén and Río Negro.

31.3 Transport Concession Entre Lomas Crude Oil

On December 6, 2019, the Province of Río Negro issued Decree No. 1,821/19 that granted Vista Argentina a hydrocarbon transport concession associated with Entre Lomas area, on the oil pipeline that connects the crude treatment plant located in Charco Bayo in Entre Lomas area (the "PTC Elo") until its interconnection with the trunk crude transport system in La Escondida operated by Oleoductos del Valle S.A. in the Province of Río Negro, including within the transport concession to the PTC ELo.

The Concession of Transportation was granted until January 21, 2026; the remaining term of validity of the concession of exploitation of the Entre Lomas Area.

This concession will transport production not only from the Entre Lomas area, but also from Bajada del Palo Oeste; Bajada del Palo Este; Coirón Amargo Norte, Entre Lomas located in Neuquén Province and Charco del Palenque.

31.4 Transport Concession 25 de Mayo—Medanito SE

On December 6, 2019, the Province of Río Negro issued Decree No. 1,822/19 that granted Vista Argentina a hydrocarbon transport concession associated with 25 de Mayo—Medanito SE area, located in the Province of Río Negro on the pipeline that connects the Crude Treatment Plant located in Area 25 de Mayo-Medanito SE (Rio Negro) ("PTC MED"), until its interconnection with the trunk system of transport of crude in Medanito operated by Oleoductos del Valle S.A. in the province of Río Negro including within the transport concession PTC MED.

The concession was granted until October 26, 2026; the remaining term of validity of the exploitation concession of 25 de Mayo—Medanito area.

This concession will transport production coming not only from Area 25 de Mayo – Medanito SE, but also from the Jagüel de los Machos area.

31.5 Transport Concession Entre Lomas Gas

On December 6, 2019, the Province of Rio Negro issued Decree No. 1,823/19 that granted Vista Argentina a hydrocarbon transport concession associated with Entre Lomas area, on the gas pipeline that connects the gas treatment plant located in Charco Bayo deposit in Entre Lomas area ("PTG ELo") to the point that it interconnects with the trunk gas transport system operated by Transportadora del Gas S.A. ("TGS") in the province of Río Negro including within said transport concession PTG ELo.

The Concession of Transportation was granted until January 21, 2026; the remaining term of validity of the concession of exploitation of Entre Lomas area.

This concession will transport production not only from Entre Lomas area, but also from Bajada del Palo Oeste; Bajada del Palo Este; Coirón Amargo Norte and Charco del Palenque.

Note 32. Business Combinations

Initial Business Combination

On April 4, 2018, the Company completed its Initial Business Combination that was recorded using the acquisition accounting method. The results of the operations acquired have been included in the consolidated financial statements since the date on which the Company obtained control of the respective businesses, as disclosed below.

32.1 Acquisition of PELSA (currently known as Vista Argentina) and the 3.85% direct interest in the oil and gas properties operated by PELSA from Pampa Energía S.A.

On January 16, 2018, Pampa Energía S.A. ("PAMPA") agreed to sell VISTA its direct interest in PELSA and its direct interests in the Entre Lomas, Bajada del Palo and Agua Amarga oil and gas properties.

On April 4, 2018, PAMPA and the Company, through its Mexican subsidiary Vista I, executed a share purchase agreement (the "Share Purchase Agreement PELSA"), for the acquisition of Pampa's direct interest of:

i) 58.88% in PELSA, an Argentine company that holds a 73.15% direct operating interest in the Entre Lomas ("EL"), Bajada del Palo ("BP"), and Agua Amarga ("AA") oil exploitation concessions in the Neuquina Basin in the provinces of Neuquén and Río Negro, Argentina (the "EL-AA-BP Concessions") (the "PELSA Transaction"); and

ii) 3.85% direct interest in the EL-AA-BP Concessions operated by PELSA.

On the same date, Vista assigned all the rights and obligations of the Purchase Agreement related to the acquisition of the 3.85% direct interest in the EL-AA-BP Concessions to PELSA in order for such subsidiary to perform the purchase.

The main purpose of the business combination was to acquire an upstream business, which became the main activity of the Company after these business combinations, since the Company was established as a special purpose entity until this date (See Note 1).

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

32.1.1 Consideration transferred

This business combination was performed in exchange for a total consideration of 297,588 in cash at the closing date.

The costs related to the transaction of 967 were recognized in profit or loss by the Company as they were incurred and were recorded as “other operating expenses” in the accompanying consolidated statements of profit or loss and other comprehensive income.

The operating results of the acquired business have been included in the consolidated operating results of the Company as of the date of acquisition.

32.1.2 Assets acquired, and liabilities assumed as of April 4, 2018

As a result of the business combination, the Company identified a goodwill amounting to 11,999, attributable to the future synergies of the Company and PELSA combined business and assembled workforce. The Goodwill has been fully allocated to the Company’s single business segment, since is the only one which the Company operates, as described above. As of December 31, 2019, and 2018, goodwill is not deductible in Mexico, consequently if these circumstances do not change, it is not expected that there will be tax deductions in the future.

The following table details the fair value of the transferred consideration, the fair values of the acquired assets, the assumed liabilities and the non-controlling interest corresponding to PELSA’s acquisitions as of April 4, 2018:

	Notes	Total
Assets		
Property, plant and equipment	[A]	312,728
Other intangible assets		494
Trade and other receivables	[B]	27,857
Other financial assets		19,712
Inventories		3,952
Cash and cash equivalents		10,216
Total assets acquired		**374,959**

	Notes	Total
Liabilities		
Deferred income tax liabilities		56,396
Provisions	[C]	11,085
Employee defined benefits plan obligation		2,856
Salaries and social security payable		1,178
Income tax payable		2,914
Other taxes and royalties payable		3,394
Accounts payable and accrued liabilities		10,240
Total liabilities assumed		**88,063**
Net assets acquired		**286,896**
Goodwill		11,999
Non-controlling interest		(1,307)
Total consideration (Note 32.1.1)		**297,588**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

[A] Property, plant and equipment:

- Oil and gas Property: The Company has valued its interests in proved reserves (both developed and to be developed) and probable reserves in different acquired oil and gas properties. To estimate the future level of reserves, a report audited by external engineers was used adjusting by the temporality of the activity (e.g. drilling new wells and workovers) to adapt to Vista's plans. These assumptions reflect all reserves and resources that management believe a market participant would consider when valuing the asset. In all cases, the approach used to determine the oil and gas property's fair value was a combination of the income-based approach through the Indirect Cash Flow method and a valuation methodology for comparable transactions using the multiple US/acre. The projection period was determined based on the termination of the respective concession contracts. For each type of reserve or resource, management used a risk factor between 100% and 30% of success from their estimated full potential value. An 11.25% discount rate has been used, which was estimated taking the WACC rate in US as a parameter. The other main assumptions used to project cash flows were associated with crude oil, natural gas and NGL prices, foreign exchange and inflation rates, which were based on market participant assumptions.

[B] Acquired Receivables: The fair value of acquired trade and other receivables amounts to 27,857. The gross contractual amount of receivables is 31,504, out of which 3,647 are not expected to be collected.

[C] Contingent liabilities, provision for environmental remediation and asset retirement obligation: The Company has recorded 30,646 and 10,071 to reflect the fair value of possible and probable tax, civil and labor contingencies, environmental remediation and asset retirement obligation as of the acquisition date, respectively. PELSA is (whether directly or indirectly) involved in several legal, tax and labor proceedings in its ordinary course of business. The fair value was calculated considering the level of probability of cash outflows that would be required for each contingency or provision.

32.1.3 Non-controlling interest for business combination

The non-controlling interest (0.32% ownership interest in PELSA) recognized at the acquisition date was measured at its fair value. The Company acquired the remaining 40.80% ownership interest in PELSA through the acquisition of APCO on the same acquisition date (Note 32.3).

32.1.4 Net cash outflow on acquisition of subsidiaries

In the consolidated statement of cash flows:

Cash consideration transferred	297,588
Cash and cash equivalents acquired	(10,216)
Net cash outflow on acquisition of subsidiaries (*)	**287,372**

(*) In the statement of cash flows 297,458 have been presented as Net cash outflow on acquisition of subsidiaries and 10,086 are included in the ''Cash and cash equivalents at the beginning of the period'' held by the Successor entity.

32.1.5 Effect of acquisitions on the results of the Company

Included in the loss for the period there is a loss of 36,816 attributable to the additional business generated by PELSA. Revenue for the period includes 86,941 attributable to the additional revenues generated by the ownership interest acquired in PELSA.

Had these business combinations been effected at January 1, 2018, the revenue of the Group for the year would have been 360,026 and the loss for the year would have been 28,835. The directors consider these 'pro-forma' numbers to represent an approximate measure of the performance of the combined Group on an annualized basis and to provide a reference point for comparison in future periods.

In determining the 'pro-forma' revenue and net profit of the Group had been acquired at the beginning of the current year, the management have calculated depreciation of plant and equipment acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognized in the pre-acquisition financial statements.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

32.2 Acquisition of oil and gas properties Jagüel de los Machos and 25 de Mayo-Medanito SE, by PELSA from Pampa Energía S.A.

On January 16, 2018, Pampa Energía S.A. agreed to sell Vista its direct interest in 25 de Mayo-Medanito and Jagüel de los Machos oil and gas properties, in the Neuquina Basin in the Province of Río Negro, Argentina.
On April 4, 2018, PAMPA and the Company, through its Mexican subsidiary Vista I, executed a purchase agreement (the "Purchase Agreement Oil and Gas Properties"), for the acquisition of the following (the "Oil and gas properties Transaction"):

i) 100% interest in the 25 de Mayo-Medanito oil exploitation concession area; and

ii) 100% interest in the Jagüel de los Machos oil exploitation concession area.

On the same date, Vista assigned all the rights and obligations of the Purchase Agreement oil and gas properties to PELSA in order for such subsidiary to perform the purchase.

The main purpose of the business combination was to acquire an upstream business, which became the main activity of the Company, after these two business combinations, since the Company was established as a special purpose entity until this date (See Note 1).

32.2.1 Consideration transferred

This business combination was performed in exchange for a total consideration of 85,435 in cash.

The costs related to the transaction of 277 were recognized in profit or loss by the Company as they were incurred and were recorded as "other operating expenses" in the accompanying consolidated statements of profit or loss and other comprehensive income. The operating results of the acquired business have been included in the consolidated operating results of the Company as of the date of acquisition.

32.2.2 Assets acquired and liabilities assumed as of April 4, 2018

As a result of the business combination, the Company has identified a goodwill for an amount of 5,542 related to this transaction. As of December 31, 2019, and 2018, goodwill is not deductible in Argentina, consequently any change in the recognition of the business combination, and if these circumstances do not change, it is not expected that there will be tax deductions in the future.

The following table details the fair value of the transferred consideration, the fair values of the acquired assets and the assumed liabilities corresponding to Oil and gas properties' acquisitions as of April 4, 2018:

	Notes	Total
Assets		
Property, plant and equipment	[A]	86,096
Deferred income tax asset		1,226
Total assets acquired		**87,322**

	Notes	Total
Liabilities		
Provisions	[B]	6,406
Salaries and social security payable		1,023
Total liabilities assumed		**7,429**
Net assets acquired		**79,893**
Goodwill		5,542
Total consideration (Note 32.2.1)		**85,435**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

[A] Property, plant and equipment:

- Oil and gas property: The Company has valued its interests in proved reserves (both developed and to be developed) and probable reserves in different acquired oil and gas properties. To estimate the future level of reserve, a report audited by external engineers was used adjusting by the temporality of the activity (e.g. drilling new wells and workovers) to adapt to the Vista's plans. These assumptions reflect all reserves and resources that management believe a market participant would consider when valuing the asset. In all cases, the approach used to determine the Oil and gas property's fair value was a combination of the income-based approach through the Indirect Cash Flow method. The projection period was determined based on the termination of the respective concession contracts. For each type of reserve or resource, management used a risk factor between 100% and 30% of success from their estimated full potential value. An 11.25% discount rate has been used, which was estimated taking the WACC rate in US as a parameter. The other main assumptions used to project cash flows were associated with Crude oil, natural gas and NGL prices, foreign exchange and inflation rates, which were based on market participant assumptions.

[B] Provision for Environmental remediation and asset retirement obligation: The Company has recorded 3,676 and 2,730 to reflect the fair value of possible and probable environmental remediation and asset retirement obligation as of the acquisition date, respectively. The fair value was calculated considering the level of probability of cash outflows that would be required for each provision.

32.2.3 Net cash outflow on acquisition of subsidiaries

In the consolidated statement of cash flows:

Cash consideration transferred	85,435
Cash and cash equivalents acquired	—
Net cash outflow on acquisition of subsidiaries	**85,435**

32.2.4 Effect of acquisitions on the results of the Company

Included in the loss for the period there is a profit of 69,016 attributable to the additional business generated by the acquisition of Jagüel de los Machos and 25 de Mayo – Medanito SE. Revenues for the period include 130,015 attributable to the additional revenues generated by Jagüel de los Machos and 25 de Mayo – Medanito SE.

Had this business combination been effected at January 1, 2018, the revenue of the Group for the year would have been 371,132 and the loss for the year would have been 10,090. The directors consider these 'pro-forma' numbers to represent an approximate measure of the performance of the combined Group on an annualized basis and to provide a reference point for comparison in future periods.

In determining the 'pro-forma' revenue of the Group had this business combination been acquired at the beginning of the current year, the management have calculated depreciation of plant and equipment acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognized in the pre-acquisition financial statements.

32.3 Acquisition of APCO from Pluspetrol

On April 4, 2018, Pluspetrol Resources Corporation established in Cayman Island ("Pluspetrol") and the Company, through its mexican subsidiary Vista I, executed a share purchase agreement (the "Share Purchase Agreement APCO"), for the acquisition of 100% of APCO Oil & Gas International, Inc. ("APCO O&G") and 5% of APCO Argentina S.A. ("APCO Argentina") (together "APCO Transaction").

APCO O&G holds (a) 39.22% of the capital stock of PELSA; (b) 95% of the capital stock of APCO Argentina, which holds a 1.58% direct equity interest in PELSA; and (c) 100% of the capital stock of APCO Oil & Gas International Inc. Argentina Branch ("APCO Argentina Branch").

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Through APCO Argentina Branch, APCO O&G indirectly holds: (a) a 23% interest in the EL-AA-BP Concessions operated by PELSA; (b) a 45% non-operating interest in an oil and gas property in the Neuquina Basin in the Province of Neuquén, Argentina, which is denominated "Coirón Amargo Sur Oeste"; (c) a 55% operating interest in an exploitation concession in the Neuquina Basin in the Province of Neuquén, Argentina, which is denominated "Coirón Amargo Norte"; (d) a 1.5% non-operating interest in an exploitation concession in in the Noroeste Basin in the Province of Salta, Argentina, which is denominated "Acambuco"; (e) a 16.95% non-operating interest in an exploitation concession in the Golfo San Jorge Basin in the Province of Santa Cruz, Argentina, which is denominated "Sur Río Deseado Este "; and (f) a 44% non-operating interest in an exploration agreement for the exploration of a portion of Sur Rio Deseado Este.

As of the date of this business combination, Vista directly and indirectly holds 99.68% of PELSA. The 0.32% remaining equity interest was directly acquired by the Company from PELSA's minority shareholders, to account for 100% of the capital stock of PELSA on April 25, 2018.

The main purpose of the business combination was to acquire an upstream business, which became the main activity of the Company, after these two business combinations, since the Company was established as a special purpose entity until this date.

32.3.1 Consideration transferred

This business combination was performed in exchange for a total cash consideration of 349,761.

The costs related to the transaction of 1,136 were recognized in profit or loss by the Company as incurred and were recorded as "other operating expenses" in the accompanying consolidated statements of profit or loss and other comprehensive income. The results of operations of APCO and APCO Argentina have been included in the consolidated operating results of the Company as of the date of acquisition.

In connection with this transaction, as described in Note 17.2, the Company obtained a bank loan in the amount of 260,000 net of the transaction costs of 11,904.

32.3.2 Assets acquired and liabilities assumed as of April 4, 2018

As a result of the business combination, the Company has identified a goodwill for an amount of 10,943 related to this transaction. As of December 31, 2019, and 2018, goodwill is not deductible in Mexico, consequently, even any change in the recognition of the business combination, and if these circumstances do not change, it is not expected that there will be tax deductions in the future.

The following table details the fair value of the transferred consideration, the fair values of the acquired assets, the assumed liabilities and the non-controlling interest corresponding to APCO's and APCO Argentina's acquisitions as of April 4, 2018:

	Notes	Total
Assets		
Property, plant and equipment	[A]	380,386
Other intangible assets		417
Trade and other receivables	[B]	34,076
Other financial assets		13,579
Inventories		4,409
Cash and cash equivalents		14,432
Total assets acquired		**447,299**

	Notes	Total
Liabilities		
Deferred income tax liabilities		67,503
Provisions	[C]	12,881
Employee defined benefits plan obligation		3,483
Other taxes and royalties payable		3,349
Salaries and social security payable		1,312

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

	Notes	Total
Income tax payable		6,458
Accounts payable and accrued liabilities		13,495
Total liabilities assumed		**108,481**
Net assets acquired [(1)]		**338,818**
Goodwill		10,943
Total consideration (Note 32.3.1)		**349,761**

(1) The remaining total net assets acquired from APCO Oil & Gas International, Inc., after consolidation process and purchase price allocation corresponds to an amount of 851 of total assets related to cash and cash equivalents and receivables, and no liabilities.

[A] Property, plant and equipment:

- Oil and gas property: The Company has valued its interests in proved reserves (both developed and to be developed) and probable reserves in different acquired oil and gas properties. To estimate the future level of reserves, a report audited by external engineers was used adjusting by the temporality of the activity (e.g. drilling new wells and workovers) to adapt to the Vista's plans. These assumptions reflect all reserves and resources that management believe a market participant would consider when valuing the asset. In all cases, the approach used to determine the Oil and gas property's fair value was a combination of the income-based approach through the Indirect Cash Flow method and a valuation methodology for comparable transactions using the multiple US/acre. The projection period was determined based on the termination of the respective concession contracts. For each type of reserve or resource, management used a risk factor between 100% and 30% of success from their estimated full potential value. An 11.25% discount rate has been used, which was estimated taking the WACC rate in US as a parameter. The other main assumptions used to project cash flows were associated with Crude oil, natural gas and NGL prices, foreign exchange and inflation rates, which were based on market participant assumptions.

[B] Acquired Receivables: The fair value of acquired trade and other receivables amounts to 34,076. The gross contractual amount of receivables is 36,590, out of which 2,514 are not expected to be collected.

[C] Contingent liabilities, provision for environmental remediation and asset retirement obligation: The Company has recorded 122, 600 and 12,159 to reflect the fair value of possible and probable tax, civil and labor contingencies, environmental remediation and asset retirement obligation as of the acquisition date, respectively. APCO is (whether directly or indirectly) involved in several legal, tax and labor proceedings in its ordinary course of business. The fair value was calculated considering the level of probability of cash outflows that would be required for each contingency or provision.

32.3.3 Net cash outflow on acquisition of subsidiaries

In the consolidated statement of cash flows:

Cash consideration transferred	349,761
Cash and cash equivalents acquired	(14,432)
Net cash outflow on acquisition of subsidiaries [(*)]	**335,329**

(*) In the statement of cash flows have been presented 342,281 as net cash outflow on acquisition of subsidiaries and 6,952 are included in the ''Cash and cash equivalents at the beginning of the period'' held by the Successor entity line.

32.3.4 Effect of acquisitions on the results of the Company

Included in the loss for the period there is a loss of 32,546 attributable to the additional business generated by APCO and APCO Argentina-. Revenue for the period includes 114,380 attributable to the additional revenues generated by APCO Argentina Branch. During the successor period APCO Oil & Gas International Inc, did not generate any revenue.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

Had this business combination been effected at January 1, 2018, the revenue of the Group for the year would have been 367,167 and the loss for the year would have been 25,505. The directors consider these 'pro-forma' numbers to represent an approximate measure of the performance of the combined Group on an annualized basis and to provide a reference point for comparison in future periods.

In determining the 'pro-forma' revenue and net profit of the Group had been acquired at the beginning of the current year, the management have calculated:

i) depreciation of plant and equipment acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognized in the pre-acquisition financial statements; and

ii) borrowing costs on the funding levels, credit ratings and debt/equity position of the Group after the business combination.

32.4 Effect of all acquisitions on the cash flow, Goodwill and results of the Company

If all business combinations (Note 32.1, 32.2 and 32.3) were made as of January 1, 2018, the Company's consolidated revenues for the period would have increased to 435,653 and the loss for the period would have been 11,666.

In the consolidated statement of cash flows:

Cash consideration transferred	732,784
Cash and cash equivalents acquired	(24,648)
Net cash outflow on acquisition of subsidiaries (*)	**708,136**

(*) In the statement of cash flows have been presented 725,174 as net cash outflow on business acquisitions and 17,038 are included in the ''Cash and cash equivalents at the beginning of the period'' held by the Successor entity line.

The Composition of Goodwill is

PELSA	11,999
JDM and Medanito	5,542
APCO	10,943
Total Goodwill	**28,484**

32.5 Others business combination

As a result of the exclusion of partner Madalena Energy Argentina SRL, as mentioned in Note 30.3.4, Vista Argentina, acquired an additional 29.62% to the 55% it owned, until obtaining 84.62% of CAN's exploitation concessions , without economic compensation, which originated the receipt of net assets for a value of 1,383 and consequently a result for the same amount, which was recorded within Other operating income (See Note 10.1).

In accordance with IFRS, this operation has been accounted as a business combination using the acquisition accounting method. The operation has been included in the consolidated financial statements since the date on which the Company obtained control of the additional participating interest.

Note 33. Tax reform

A-Argentina

On December 23, 2019, the "Law of Solidarity and Productive Reactivation" No. 27,541 and Presidential Decree No. 58/2019 were published in the Official Gazette and become in force in such date. The reforms introduced are aimed at reactivating the economic, financial, tax, administrative, social security, rate, energy, health and social sectors and empowering the Executive Branch to carry out necessary proceedings and actions to recover and ensure Argentina's public debt sustainability.

The main measures included in the law and its administrative order are as follows:

33.1 Income tax

Law No. 27,430 had established: (i) corporate income tax rate would be reduced from 35% to 30% for fiscal years beginning as of January 1, 2018 through December 31, 2019 and to 25% for fiscal years beginning as of January 1, 2020; and (ii) tax on dividends or profit distributed by, among others, Argentine companies or permanent establishments to individuals, undivided properties or beneficiaries residing abroad are distributed based on the following considerations: (a) dividends resulting from profit accrued during fiscal years from January 1, 2018 through December 31, 2019, will be subject to a 7% withholding tax; and (b) dividends resulting from profit accrued during fiscal years beginning on January 1, 2020 will be subject to a withholding tax of 13%.

The reform introduced by the Law No. 27,541, suspended these tax reductions and maintains the original 30% for income tax and 7% for tax on dividends until fiscal years beginning as from January 1, 2021, inclusively.

Additionally, Law No. 27,468 had established that for the first three fiscal years beginning as from January 1, 2019, the positive or negative effect of the inflation adjustment provided by the Income Tax Law should be distributed in one third of the tax return of the fiscal year in which the adjustment was assessed, and the remaining two thirds, in equal parts, in the two immediately subsequent fiscal years. The abovementioned reform amended such distribution and established that one sixth of the positive or negative adjustment for the first and second fiscal years beginning as from January 1, 2019, should be allocated to the tax return of the year in which the adjustments are assessed, and the remaining balance, to the immediately following five fiscal years; however, for fiscal years beginning as from January 1, 2021, 100% of the adjustment may be deducted/taxed in the fiscal year in which the effect is determined.

33.2 Employer contributions

(i) The progressive reduction in employer contributions is eliminated, and as from December 2019, rates are 20.40% for private sector employers in the Services or Commerce sectors and the remaining private sector employers are subject to a 18% rate.
(ii) The regulation establishes fixed amounts which may be deducted from the calculation base, but it does not include a future adjustment provision.
(iii) From the contributions effectively paid, amount resulting from applying the percentage points established for each particular jurisdiction to the tax bases may be computed as VAT credit.

33.3 Statistical rate

An increase from 2.5% to 3% in the statistical rate is established; it is applicable to definitive imports for consumption as from January 1, 2020 through December 31, 2020.

In the case of capital goods imports to be used in investments aimed at producing oil and gas arising from unconventional fields, the application of the 0% rate is extended until December 31, 2020.

33.4 Tax for an inclusive and solidary Argentina (“PAIS”)

A 30% tax is established for a five tax-year term on transactions related to the acquisition of foreign currency.

The tax amount may not be computed as payment on account of any taxes and reaches the following operations: (i) purchases of foreign currency bills for hoarding; (ii) foreign currency exchange transactions to be used for payments related to acquisitions of goods services made abroad, whichever the payment method used to settle them; (iii) acquisition of services abroad through Argentine travel and tourism agencies; (iv) acquisition of international passenger transportation services.

33.5 Export duties

The Executive branch is empowered to increase export duties: (i) 15% in the case of goods exports not subject to export duties or which were subject to a 0% rate as of September 2, 2018.

Before approving Law No. 27,541, the federal government published Presidential Decree No. 37/2019 (Official Gazette dated December 14, 2019), in which the 4 ARS/US cap established by the previous administration in 2018, was suppressed.

Additionally, with Decree No. 488/2020 (mentioned in Note 2.5.1.2), it establishes export duties will be: (i) 0% if "Ice Brent First Line" is US 45 or less; or (ii) 8% if "Ice Brent first Line" price is US 60 or higher. In the event that the international price exceeds US 45 and is less than US 60, a formula contained in the decree will be applied.

33.6 Energy system

The law empowers the Executive Branch to:

(i) Maintain electric power and natural gas rates under federal jurisdiction and initiate a comprehensive review of current rates, or to initiate an extraordinary review as from the effective date of this law and for a 180-day maximum term, in an aim to reduce the actual rate burden borne by households, stores and industries in 2020. Moreover, provinces are also invited to adhere to these policies to maintain the rate charts and to renegotiate or perform an extraordinary review of provincial rates.

(ii) Carry out a state-mandated audit at the ENRE (Argentine energy regulatory agency) and the ENARGAS (Argentine gas regulatory agency) for a term of one (1) year.

In exercise of its delegated powers, the government announced the suspension of any adjustment in connection with electric power and gas rates for a 180 day-term established by the law.

In line with the abovementioned energy rate adjustments, the government also requested YPF (Yacimientos Petrolíferos Fiscales, the largest Oil & Gas company in Argentina) to maintain fuel prices without any adjustments. The other oil companies including Vista, initially agreed not to adjust their prices if YPF did not, either.

33.7 Royalties

The Decree No. 488/2020 (mentioned in Note 2.5.1.2) establishes:

1) during the term of the Decree royalties must be calculated using the Reference Price.

In the case of royalties, as of December 31, 2020, Article 1 of Decree No. 488/2020 is no longer in force, because the "Ice Brent First Line" price exceeded 45 US/bbl for 10 consecutive days, therefore royalties are calculated as stipulated in Note 2.5.5.

B- Mexico

33.8 Income tax

On October 31, 2019, the Mexican government approved 2020fiscal reform, which is effective as from January 1, 2020, among other aspects this reform includes:

(i) established a limitation on the deduction of the net interest for the year, equivalent to the amount resulting from multiplying the taxpayer's adjusted fiscal profit by 30%. There is an exception with a limit of 20 million Mexican pesos for deductible interest at the group level in Mexico.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

(ii) the Fiscal Code of the Federation ("CFF") was modified to add new circumstances to attribute joint and several liability to partners, shareholders, directors, managers or any other responsible for the administration of the business. These new circumstances are applicable when operating with companies or individuals included in the blacklist of taxpayers who issue electronic invoices considered non-existent operations due to lack of assets, personnel, infrastructure or material capacity; or when it is considered that it is not in the Federal Taxpayers Registry ("RFC") or when there is a change of fiscal address without having submitted the corresponding notification to the tax authorities in due time.

The Tax Reform approved of 2020 includes the mandatory disclosure "reportable schemes" by tax advisers or taxpayers. These schemes are defined as those that could generate the obtention of a tax benefit and includes: (i) restructuring; (ii) transmission of tax losses; (iii) transfer of depreciated assets that can also be depreciated by the acquirer; (iv) the use of tax losses that are about to expire; (v) abuse in the application of tax treaties with foreign residents and others.

The Tax Reform proposes to consider tax evasion as organized crime with the corresponding criminal sanctions.

Likewise, the management evaluated the impact of the reform on financial statements as of December 31, 2020 and 2019 and concluded that there are no significant impacts on it.

Note 34. Share-based payments

On March 22, 2018 the Shareholders of the Company authorized the existence of a LTIP to retain key employees and vested the Board of Directors with authority to administer such plan. On the same Shareholder's Meeting, the Shareholders resolved to reserve 8,750,000 Series A shares to be used thereunder.

As per the LTIP approved by the Board, such plan started on April 4, 2018 and as part of the LTIP the Company manages the plan through an Administrative Trust.

The plan has the following benefits paid to certain executives and employees that are considered share-based payments:

34.1 Stock Options (Equity Settled)

The stock option gives the participant the right to buy a quantity of shares over certain period of time at a defined strike price. Stock options will be vested as follows: (i) 33% the first year; (ii) 33% the second year; and (iii) 34% the third year with respect to the date on which the stock options are provided to the participants. Stock Options are exercisable up to 5 or 10 years from the date they are granted. The plan establishes that the number of options to be granted will be determined using a Black & Sholes Model.

34.1.1 Movements during the year of Series A shares

The following table illustrates the number of rights to buy and weighted average exercise prices ("WAEP") of, and movements in, share options during the year:

	Consolidated-Successor for the year ended December 31, 2020		Consolidated-Successor for the year ended December 31, 2019		Consolidated-Successor for the period from April 4,2018 through December 31, 2018	
	Number of rights to buy	WAEP	Number of rights to buy	WAEP	Number of rights to buy	WAEP
Outstanding as of beginning of the year	3,994,004	7.8	1,330,541	10.0	—	—
Granted during the year	1,711,307	2.1	2,704,003	6.7	1,330,541	10.0
Cancelled during the year	(36,486)	10.0	(40,540)	10.0	—	—
At the end of the year	**5,668,825**	**6.0**	**3,994,004**	**7.8**	**1,330,541**	**10.0**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

The following table list the inputs to the models used for the plan for the periods/years:

	Consolidated-Successor for the year ended December 31, 2020	Consolidated-Successor for the year ended December 31, 2019	Consolidated-Successor for the period from April 4, 2018 through December 31, 2018
Dividend yield (%)	0.0%	0.0%	0.0%
Expected volatility (%)	34%	40%	40%
Risk–free interest rate (%)	0.7%	2.5%	1.5%
Expected life of share options (years)	10	5	5
Weighted average exercise price (US)	2.10	6.7	10.0
Model used	Black-Scholes-Merton	Black-Scholes-Merton	Black-Scholes-Merton

Expected life of the stocks options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Expected volatility reflects the assumption that historical volatility over a similar period to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

The weighted average fair value of options granted during the years ended December 31, 2020 and 2019 and during the period from April 4, 2018 through December 31, 2018 was 0.9, 2.6 and 3.7, respectively.

In accordance with IFRS 2, share purchase plans are classified as equity-settled transactions on the grant date. This valuation is the result of multiplying the total number of Series A shares that will be deposited in the Administrative Trust and the price per share.

For the years ended December 31, 2020 and 2019 and for period from April 4 to December 31, 2018, the compensation expense recorded in the consolidated statements of operations amounted to 4,251, 3,529 and 1,238, respectively.

34.2 Restricted Stock (Equity Settled)

One or more shares that are given to the participants of the plan for free or a minimum value once the conditions are achieved. Restricted Stock is vested as follows (i) 33% the first year, (ii) 33% the second year and (iii) 34% the third year with respect to the date to which the Restricted Stock are granted to the participants.

34.2.1 Movements during the year

The following table illustrates the number and WAEP of, and movements share during the successor period:

	Consolidated-Successor for the year ended December 31, 2020		Consolidated-Successor for the year ended December 31, 2019		Consolidated-Successor for the period from April 4, 2018 through December 31, 2018	
	Number of Series A shares	WAEP	Number of Series A shares	WAEP	Number of Series A shares	WAEP
Outstanding as of beginning of year	2,207,012	7.8	854,750	10.0	—	—
Granted during the period/year	1,581,037	2.1	1,356,762	6.7	854,750	10.0
Cancelled during the year	(18,750)	6.7	(4,500)	10.0	—	—
At the end of the year	**3,769,299**	**5.4**	**2,207,012**	**7.8**	**854,750**	**10.0**

In accordance with IFRS 2, the share purchase plans are classified as equity-settled transactions on the grant date. This valuation is the result of multiplying the total number of Series A shares that will be deposited in the Administrative Trust and the price per share.

For the years ended December 31, 2020 and 2019 and for the period from April 4 to December 31, 2018, the compensation expense recorded in the consolidated statements of profit or loss and other comprehensive income amounted to 6,243, 7,126 and 2,783, respectively. The restricted Series A shares issued in the exercise are revealed in Note 21.

All shares are considered outstanding for both basic and diluted (loss) earnings per share purposes, since the shares are entitled to dividend if declared by the Company.

Note 35. Subsequent events

The Company has evaluated subsequent events as of December 31, 2020 to assess the need for potential recognition or disclosure in these consolidated financial statements. The Company assessed such events until April 27, 2021, the date on which these financial statements were available to be issued.

- On January 11 and 19, 2021, Vista Argentina signed a loan agreement with Banco de la Provincia de Buenos Aires S.A. in argentine pesos for an amount equivalent of 5,271 and 3,480, at an annual fixed interest rate of 40% and 41%, with expiration date as of July 8, 2021 and July 16, 2021, respectively. Likewise, on February 11 and 19, 2021, and on March 8 and 16, 2021 Vista Argentina paid interest corresponding to the same loan agreement for an amount in argentine pesos equivalent to 519.
- On January 13, 2021, Vista Argentina paid interest corresponding to Banco Macro loan for an amount in argentine pesos equivalent to 2,168.
- On January 15, 2021, February 10, 2021 and March 3, 2021 Vista Argentina signed a loan agreement with Bolsas y Mercado Argentinos S.A. in argentine pesos for an amount equivalent to 9,355, 5,665 and 11,093; at an annual fixed interest rate of 33.09%, 32.36% and 32.97% respectively, guaranteed by government bonds.
- On January 19, 2021, Vista Argentina signed a loan agreement with Banco Santander International for an amount of 11,700; at an annual fixed interest rate of 1.8% and expiration date as of January 20, 2026.
- On January 20, 2021 Vista Argentina, VISTA, Vista Oil & Gas Holding I, S.A. de C.V. (“Vista Holding I”), and Vista Holding II, entered into a fourth amendment to the Syndicated Loan, that included modifications to certain definitions. Likewise, Vista Argentina paid principal and interest of the same agreement for an amount of 50,893.

  On the same date, Vista Argentina entered into the first amendment to the loan agreement signed in July 2020 with a bank syndicate (“Syndicated Loan Pesos”) that includes a new tranche that should be disbursed on July 20, 2021 for an amount in argentine pesos equivalent to 38,250.

  With this new tranche, Vista will refinance 85% of the principal installment of the Syndicated Loan whose maturity is July 2021.

  Additionally, the second tranche of the Syndicated Loan Pesos was received for an amount in argentine pesos equivalent to 27,000, at an annual floating interest rate equal to Badlar plus an additional margin, and with expiration date on July 20, 2022.

  Likewise, on January 20 and February 22, 2021, Vista Argentina paid interest of the first and second tranche of the same agreement for a total amount in argentine pesos equivalent to 2,176.
- On January 29, 2021, Vista Argentina received the third tranche of the loan agreement signed with Banco BBVA Argentina S.A. in July 2020, for an amount in argentine pesos equivalent to 1,664; at an annual floating interest rate equal to Badlar plus an applicable margin of 8%, and expiration date as of July 31, 2022. On the same date, Vista Argentina paid principal and interest corresponding to the loan agreement signed with the same bank on July, 2019 and April, 2020 for an amount of 1,940 and 2,522, respectively; and paid interest corresponding to the loan agreement signed on July and October, 2020 for an amount in argentine pesos equivalent to 295.
- On February 1 and 8, 2021, Vista Argentina paid interest corresponding to ON I; ON II and ON IV for an amount of 993, 1,071 and 647, respectively. Likewise, on February 22, 2021 and March 4, 2021, Vista Argentina paid interest corresponding to ON III and ON VI for an amount of 882 and 80, respectively.
- On March 10, 2021, under the Notes Program mentioned in Note 18.1, Vista Argentina issued the following non-convertible debt securities:

- ON Class VII: for an amount of 42,371, at a fixed annual interest rate of 4.25% and expiration date on March 10, 2024.
- ON Class VIII: for a nominal amount of 9,323,430 UVA (acquisitive value units) equivalent to 7,163, at a fixed annual interest rate of 2.73% and expiration date on September 10, 2024.

- On March 12, 2021, Vista Argentina pre-canceled the following loans agreement:
  - The first and second tranche of the Syndicated Loan Pesos for a total amount in Argentine pesos equivalent to 10,917 and 26,306, respectively.
  - The tranches of the loan agreement entered with Banco BBVA Argentina S.A. received in July and October 2020, for a total amount in argentine pesos equivalent to 1,395 and 1,511, respectively.
  - The tranches of the Syndicated Loan with an expiration date on January and July 2022, for a total amount of 4,530.
- On March 26, 2021, under the Notes Program mentioned in Note 18.1, Vista Argentina issued additional ON Class VIII for a nominal amount of 33.966.570 UVA equivalent to 26,231 with the same terms of maturity and interest as the ones issued in UVA on March 10, 2021.

  Additionally, on the same date, Vista Argentina pre-cancelled the following:
  - The loans agreement signed with Banco de la Provincia de Buenos Aires S.A. on January 11 and 19, 2021 for a total amount in argentine pesos equivalent to 8,306.
  - The third tranche of the loan agreement signed with Banco BBVA Argentina S.A. in July 2020, for a total amount in argentine pesos equivalent to 1,692.
- On April 5, 2021, Vista Argentina paid principal and interest of the loan agreement signed with Banco BBVA Argentina S.A. in April 2020 for a total amount in argentine pesos equivalent to 2,178.
- On April 5 and 9, 2021, Vista Argentina pre-cancelled the loan agreement signed with Banco Macro in July 2020 for a total amount in argentine pesos equivalent to 21,467.

The Company will continue to monitor the COVID-19 pandemic situation and the fluctuation of oil prices and is prepared to take any necessary measures to protect its financial position and operating performance.

There are no other events or transactions that occurred between the closing date of the year and the date of issuance of the consolidated financial statements that could significantly affect equity or the Company's results as of closing date.

Note 36. SUPPLEMENTARY INFORMATION ON OIL AND GAS ACTIVITIES (UNAUDITED)

The following information on oil and gas activities has been prepared in accordance with the methodology prescribed by ASC No. 932 "Extractive Activities—Oil and Gas", as amended by ASU 2010—03 "Oil and Gas Reserves, Estimation and Disclosures", issued by Financial Accounting Standard Board ("FASB") in January 2010 in order to align the current estimation and disclosure requirements with the requirements set in the Security and Exchange Commission ("SEC") final rules and interpretations, published on December 31, 2008. This information includes the Company's oil and gas production activities carried out in Argentina and Mexico.

Costs incurred

The following table presents those costs capitalized as well as expensed that were incurred during the years ended December 31, 2020 and 2019 and for the period from April 4 to December 31, 2018 (Successor) and from January 1, 2018 to April 3, 2018 (Predecessor). The acquisition of properties includes the cost of acquisition of proved or unproved oil and gas properties. Exploration costs include costs necessary for retaining undeveloped properties, seismic acquisition cost, seismic data interpretation, geological modeling, exploration well drilling costs and testing of drilled wells. Development costs include drilling costs and equipment for development wells, the construction of facilities for extraction, treatment and storage of hydrocarbons and all necessary costs to maintain facilities for the existing developed reserves.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

	Successor For the year ended December 31, 2020		Successor For the year ended December 31, 2019		Successor For the period from April 4 to December 31, 2018		Predecessor For the period from January 1 to April 4, 2018
	Argentina	Mexico	Argentina	Mexico	Argentina	Mexico	Argentina
Acquisition of properties							
Proved	—	—	—	—	(555,944)	—	—
Unproved	—	—	—	278	—	(29,681)	—
Total property acquisition	**—**	**—**	**—**	**278**	**(555,944)**	**(29,681)**	**—**
Exploration	—	(646)	(9)	(667)	(637)	—	(134)
Development	(186,030)	(2,031)	(146,935)	(601)	(131,080)	—	(3,999)
Total costs incurred	**(186,030)**	**(2,677)**	**(146,944)**	**(990)**	**(687,661)**	**(29,681)**	**(4,133)**

There are not any costs incurred during the periods/years above mentioned in Vista' equity method investments. There are not costs incurred directly associated with oil and gas producing activities in Mexico during the predecessors' periods.

Capitalized cost

The following table presents the capitalized costs as of December 31, 2020, 2019 and 2018, for proved and unproved oil and gas properties, and the related accumulated depreciation as of those dates.

	Successor December 31, 2020		Successor December 31, 2019		Successor December 31, 2018	
	Argentina	Mexico	Argentina	Mexico	Argentina	Mexico
Proved properties [1]						
Machinery, installations, software licenses and others	34,407	485	29,757	40	20,602	—
Oil and gas properties and wells	1,258,223	—	1,040,250	—	804,752	—
Work in progress	76,924	2,632	74,924	601	77,536	—
Unproved properties	—	15,359	—	29,403	13,157	29,681
Gross capitalized costs	**1,369,554**	**18,476**	**1,144,931**	**30,044**	**916,047**	**29,681**
Accumulated depreciation	(364,964)	(94)	(222,847)	(3)	(74,413)	—
Total net capitalized costs	**1,004,590**	**18,382**	**922,084**	**30,041**	**841,634**	**29,681**

(1) Includes capitalized amounts related to assets retirement obligations and impairment loss / recovery.

There are not any costs incurred during the periods/years above mentioned in Vista' equity method investments. There are not costs incurred directly associated with oil and gas producing activities in Mexico during the predecessors' periods.

Results of operations

The breakdown of results of the operations shown below summarizes revenues and expenses directly associated with oil and gas producing activities for the years ended December 31, 2020 and 2019 and for the periods from April 4 to December 31, 2018 (Successor) and from January 1, 2018 to April 3, 2018 (Predecessor). Income tax for the periods presented was calculated utilizing the statutory tax rates.

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

	Successor For the year ended December 31, 2020	Successor For the year ended December 31, 2019	Successor For the period FromApril 4 to December 31, 2018	Predecessor For the period from January 1, 2018 to April 3, 2018
Revenue from contract with customers	273,938	415,976	331,336	44,463
Surplus Gas Injection Compensation	—	—	—	291
Revenue and other income	**273,938**	**415,976**	**331,336**	**44,754**
Production costs, excluding depreciation				
Operating costs and others	(88,018)	(114,431)	(86,245)	(18,367)
Royalties	(38,908)	(61,008)	(50,323)	(6,795)
Total production costs	**(126,926)**	**(175,439)**	**(136,568)**	**(25,162)**
Exploration expenses	(646)	(676)	(637)	(134)
Impairment of long live assets	(14,438)	—	—	—
Accreation expenses	(2,584)	(1,723)	(897)	(233)
Depreciation, depletion and amortization	(147,674)	(153,001)	(74,772)	(14,194)
Results of operations before income tax	**(18,330)**	**85,137**	**118,462**	**5,031**
Income tax	5,499	(25,541)	(35,539)	(1,509)
Results of oil and gas operations	**(12,831)**	**59,596**	**82,923**	**3,522**

There are not any costs incurred during the periods/years above mentioned in Vista' equity method investments. There are not costs incurred directly associated with oil and gas producing activities in Mexico during the predecessors' periods.

Estimated oil and gas reserves

Before April 4, 2018 Vista had no ownership in the oil and gas fields that are subject of this information. Technical volumes as of December 31, 2017 are predecessor's net (at working interest) reserves volumes, and those volumes are not reserves to the interest of Vista before that date. However, Gaffney, Cline & Associates did carry out a reserves audit at the same properties for Pampa and APCO according to the SEC regulations, and it is those volumes, adjusted to 100% working interest, that are discussed in the following sections. Proved reserves as of December 31, 2018, are Vista's net proved reserves including PELSA's predecessor net proved reserves and additional acquisitions and developments. As of December 31, 2020, and 2019 Vista's net proved reserves were audited by DeGolyer and MacNaughton for the blocks located in Argentina, and by Netherland Sewell & Associates for the blocks located in Mexico.

Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible, from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations, prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time. In some cases, substantial investments in new wells and related facilities may be required to recover proved reserves.

The Company believes that its estimates of remaining proved recoverable oil and gas reserve volumes are reasonable and such estimates have been prepared in accordance with the SEC rules and ASC 932, as amended. Accordingly, crude oil prices used to determine proved reserves were the average price during the 12-month period prior to the ending date of December 31, 2020 and 2019, determined as an unweighted arithmetic average of the first day-of-the-month price for each month within such periods. Additionally, since there are no benchmark market natural gas prices available in Argentina, Vista used average realized gas prices during the year to determine its gas reserves. For certain volumes of gas, Vista will be benefited by an incentive natural gas price, subsidized by the Argentine Government through the "Plan Gas IV". For certain blocks, a weighted average price is estimated considering subsidized and regular market price of sales volumes.

The Company's proved reserves and technical volumes estimation as of December 31, 2018 was audited by Gaffney, Cline & Associates, an independent petroleum engineering consulting firm, while the Company's proved reserves as of December 31, 2020 and 2019 was audited by DeGolyer and MacNaughton and Netherland Sewell & Associates. The independent audit covered 100% of the estimated reserves located in areas operated and non-operated by the Company in Argentina and Mexico. Gaffney, Cline & Associates, DeGolyer and MacNaughton and Netherland Sewell & Associates, audited the proved oil and natural gas reserve estimates in accordance with Rule 4-10 of Regulation S-X, promulgated by the SEC, and in accordance with the oil and gas reserves disclosure provisions of ASC Topic 932 of the FASB. The Company provided all required information during the course of the audit process by Gaffney, Cline & Associates, DeGolyer and Mac Naughton, and Netherland Sewell & Associates.

Royalties payable to Provinces have not been deducted from reported proved reserves. Gas includes Gas Sales and Consumption.

Hydrocarbon liquid volumes represent crude oil, condensate, gasoline and LPG to be recovered in field separation and plant processing and are reported in millions of barrels ("MMBbl"). Natural gas volumes represent expected gas sales and field's fuel usage and are reported in billion (109) standard cubic feet ("Bcf") at standard condition of 14.7 psia and 60°F. Gas volumes result from field separation and processing, being reduced by injection, flare and shrinkage, and include the volume of gas consumed at the field for production operations. Natural gas reserves were converted to liquid equivalent using a conversion factor of 5.615 cubic feet of gas per 1 barrel of liquid equivalent.

The following tables sets forth the estimated oil (including crude oil, condensate and natural gas liquids) and natural gas proved reserves as of December 31, 2020, 2019, and 2018 to the working interest of Vista in the concessions:

	Proved Reserves as of December 31, 2020		
Argentina	**Crude oil, condensate and natural gas liquids**	**Natural gas**	**Natural gas**
Reserves Category	(millions of barrels)	(billion cubic feet)	(millions of barrels of oil equivalent)
Proved Developed	37.6	86.1	15.3
Proved Undeveloped	61.8	73.9	13.1
Total proved reserves (developed and undeveloped)	**99.4**	**160.0**	**28.4**

	Proved Reserves as of December 31, 2020		
Mexico	**Crude oil, condensate and natural gas liquids**	**Natural gas**	**Natural gas**
Reserves Category	(millions of barrels)	(billion cubic feet)	(millions of barrels of oil equivalent)
Proved Developed	0.2	0.7	0.1
Proved Undeveloped	0.0	0.0	0.0
Total proved reserves (developed and undeveloped)	**0.2**	**0.7**	**0.1**

	Proved Reserves as of December 31, 2019		
Argentina	**Crude oil, condensate and natural gas liquids**	**Natural gas**	**Natural gas**
Reserves Category	(millions of barrels)	(billion cubic feet)	(millions of barrels of oil equivalent)
PROVED Developed	30.2	108.0	19.2
PROVED Undeveloped	40.6	64.0	11.4
Total proved reserves (developed and undeveloped)	**70.8**	**172.0**	**30.6**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

	Proved Reserves as of December 31, 2019		
Mexico	**Crude oil, condensate and natural gas liquids**	**Natural gas**	**Natural gas**
Reserves Category	(millions of barrels)	(billion cubic feet)	(millions of barrels of oil equivalent)
PROVED Developed	0.1	0.7	0.2
PROVED Undeveloped	0.1	0.1	0.0
Total proved reserves (developed and undeveloped)	**0.2**	**0.8**	**0.2**

	Proved Reserves as of December 31, 2018		
Argentina	**Crude oil, condensate and natural gas liquids**	**Natural gas**	**Natural gas**
Reserves Category	(millions of barrels)	(billion cubic feet)	(millions of barrels of oil equivalent)
PROVED Developed	27.1	103.4	18.4
PROVED Undeveloped	7.1	28.2	5.0
Total proved reserves (developed and undeveloped)	**34.2**	**131.6**	**23.4**

There are no proved developed and undeveloped reserves in the oil and gas property in Mexico as at December 31, 2018.

The following table sets forth the reconciliation of the Company's reserves data between December 31, 2019 and December 31,2020:

Argentina	**Crude oil, condensate and natural gas liquids** (millions of barrels)	**Natural gas** [5] (billion cubic feet)	**Natural gas** (millions of barrels of oil equivalent)
Proved reserves (developed and undeveloped)			
Reserves as of December 31, 2019	**70.8**	**172.0**	**30.6**
Increase (decrease) attributable to:			
Revisions of previous estimates [1]	4.4	(25.1)	(4.6)
Extension and discoveries [2]	30.8	27.9	5.0
Purchases of proved reserves in place [3]	0.3	0.6	0.1
Production for the year [4]	(6.9)	(15.4)	(2.7)
Reserves as of December 31,2020	**99.4**	**160.0**	**28.4**

(1) Conversions of proved undeveloped reserves to prove developed reserves are associated with the drilling of two proved undeveloped pads (eight wells) targeting the Vaca Muerta unconventional reservoir in the Bajada del Palo Oeste concession.

Revisions due to performance of PD oil and condensate reserves are associated with better performance over the type curve for the two pads (eight wells) drilled in 2020 targeting the Vaca Muerta unconventional reservoir in the Bajada del Palo Oeste concession (+2.1 MMbbl), better performance of the conventional reservoirs in the Bajada del Palo Oeste concession (+1.1 MMbbl), extension of economic life of the conventional reservoirs in the Bajada del Palo Oeste concession due to the development of the Vaca Muerta unconventional reservoir (+0.9 MMbbl), and a combined effect of better performance in the remaining concessions (+0.3 MMbbl).

Revisions due to performance of PD marketable gas reserves are associated with lower performance of gas wells in the Entre Lomas Rio Negro concession (-15.5 Bcf) and a lower performance of gas wells in conventional reservoirs in the Bajada del Palo Oeste concession (-6.0 Bcf), which are partially offset by the extension of economic life of the conventional reservoirs in the Bajada del Palo Oeste concession due to the development of the Vaca Muerta unconventional reservoir (+4.1 Bcf), a better performance over the type curve for the two proved undeveloped pads (eight wells) drilled in 2020 targeting the Vaca Muerta unconventional reservoir in the Bajada del Palo Oeste concession (+2.0 Bcf), and a combined effect of better performance in the remaining fields (+1.6 Bcf).

Revisions due to performance of PUD reserves are associated with the increase of the type well for the Vaca Muerta unconventional reservoir in the Bajada del Palo Oeste concession due to better performance observed in the pads drilled during 2020.

Revisions due to performance of PUD reserves are associated with the increase of the type well for the Vaca Muerta unconventional reservoir in the Bajada del Palo Oeste concession due to better performance observed in the pads drilled during 2020 (+1.1 MMbbl). Revisions of PUD due to changes in the development plan are associated with the removal from the development plan of three well locations targeting the Lotena conventional gas reservoir in the Bajada del Palo Oeste concession (-8.3 Bcf), four well locations in the Charco del Palenque concession (-0.4 MMbbl and -0.5 Bcf), four well locations in the Entre Lomas Rio Negro concession (-0.3 MMbbl and -3.0 Bcf), one well location in the Jaguel de los Machos concession (-0.1 MMbbl and -0.1 Bcf), and three well locations in the 25 de Mayo-Medanito SE concession (-0.3 MMbbl and -0.1 Bcf).

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

(2) Extensions of proved developed acreage are associated with the drilling of one unproved pad (four wells) targeting the Vaca Muerta unconventional reservoir in the Bajada del Palo Oeste concession.

Extensions of proved undeveloped acreage are associated with 7 additional pads (26 wells) categorized as proved undeveloped due to successful drilling in the Vaca Muerta unconventional reservoir in the Bajada del Palo Oeste concession.

(3) Purchases of minerals in place are associated with the acquisition of the additional working interest in the Coiron Amargo Norte concession (from 55.0% to 96.8%).
(4) Considers Vista Argentina production at WI.
(5) Natural gas consumption represented 13.5% of consumption plus natural gas sale reported reserves volumes as of December 31, 2020.

The following table sets forth the reconciliation of the Company's reserves data between December 31, 2018 and December 31, 2019:

Argentina	Crude oil, condensate and natural gas liquids (millions of barrels)	Natural gas [5] (billion cubic feet)	Natural gas (millions of barrels of oil equivalent)
Proved reserves (developed and undeveloped)			
Reserves as of December 31, 2018	**34.2**	**131.6**	**23.4**
Increase (decrease) attributable to:			
Revisions of previous estimates [1]	2.4	17.8	3.2
Extension and discoveries [2]	41.0	43.0	7.6
Purchases of proved reserves in place [3]	—	—	—
Production for the year [4]	(6.8)	(20.4)	(3.6)
Reserves as of December 31, 2019	**70.8**	**172.0**	**30.6**

(1) Revision of previous estimates material increments were related to well performance in the following concessions: Entre Lomas (+0.9 MMbbl and +11.6 Bcf), Acambuco (+1.0 Bcf), Bajada del Palo Este (+0.2 MMbbl and +1.0 Bcf) and Jagüel de los Machos (+1.0 MMbbl and +1.3 Bcf). Additionally, there was an addition of 0.3 MMbbl and 0.6 Bcf in the Coirón Amargo Sur Oeste concession related to a change in well design, an addition of 1.6 MMbbl and 2.3 Bcf related to the Bajada del Palo Oeste shale oil project due to well performance of the first 4-well pad, and an addition of 3.0 Bcf related to gas projects in the Bajada del Palo Oeste conventional block. The abovementioned increments were partially offset by higher declines related to well performance in the following concessions: 25 de mayo – Medanito (-0.5 MMbbl and -1.0 Bcf), Charco del Palenque (-0.2 MMbbl and -0.2 Bcf), Coirón Amargo Norte (-0.1 MMbbl and -0.1 Bcf) and the Bajada del Palo Oeste conventional block (-0.8 MMbbl). Additionally, 1.7 Bcf corresponding to the Jarilla Quemada block were removed from proven reserves due to lower commodity prices.
(2) The material increments of 41.2 MMbbl and 43.8 Bcf in proved reserves is related to the Vaca Muerta shale oil development in the Bajada del Palo Oeste concession. Proved developed reserves increased 3.4 MMbbl and 3.5 Bcf, due to the tie-in of a second 4-well pad that was not previously booked as proved undeveloped reserves. Proved undeveloped reserves for the same project increased 37.6 MMbbl and 39.5 Bcf, corresponding to eleven 4-well pads (44 new well locations). Additionally, 0.2 MMbbl and 0.8 Bcf correspond to the operation in Mexico.
(3) Without changes.
(4) Considers Vista Argentina production at WI, except for Aguila Mora production (oil production of 35 bbl./d).
(5) Natural gas consumption represented 14.1% of consumption plus natural gas sale reported reserves volumes as of December 31, 2019.

Mexico	Crude oil, condensate and natural gas liquids (millions of barrels)	Natural gas (billion cubic feet)	Natural gas (millions of barrels of oil equivalent)
Proved reserves (developed and undeveloped)			
Reserves as of December 31, 2018	**—**	**—**	**—**
Increase (decrease) attributable to:			
Revisions of previous estimates	—	—	—
Extension and discoveries	0.2	0.8	0.2
Purchases of proved reserves in place	—	—	—
Production for the year	—	—	—
Reserves as of December 31, 2019	**0.2**	**0.8**	**0.2**

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

The following table sets forth the reconciliation of the Company's reserves data between January 1, 2018 and December 31, 2018:

Argentina	Crude oil, condensate and natural gas liquids (millions of barrels)	Natural gas [5] (billion cubic feet)	Natural gas (millions of barrels of oil equivalent)
Proved reserves (developed and undeveloped)			
Consolidated Entities			
Reserves as of January 1, 2018 (*)	**14.4**	**68.6**	**12.2**
Increase (decrease) attributable to:			
Revisions of previous estimates [1]	(0.6)	7.5	1.3
Extension and discoveries [2]	4.0	34.2	6.1
Purchases of proved reserves in place [3]	21.1	41.3	7.3
Production for the year [4]	(4.8)	(20.0)	(3.6)
Reserves as of December 31, 2018 (*)	**34.2**	**131.6**	**23.4**
Equity-accounted entities			
Reserves as of January 1, 2018	—	—	—
Increase (decrease) attributable to:	—	—	—
Revisions of previous estimates	—	—	—
Extension and discoveries	—	—	—
Purchases of proved reserves in place	—	—	—
Production for the year	—	—	—
Reserves as of December 31, 2018	**—**	**—**	**—**
(*) Includes proved developed reserves:			
As of January 1, 2018	12.0	51.0	9.1
As of December 31, 2018	27.1	103.4	18.4

(1) Revisions of previous estimates are mainly driven by a reduction of well performance of proved undeveloped oil-prone wells, and an increase of well performance of proved undeveloped gas-prone wells in Entre Lomas and Agua Amarga blocks.

(2) Includes proved reserves from successor's developments in unconventional concessions Coirón Amargo Sur Oeste and the unconventional development in Bajada del Palo Oeste. Includes conventional natural gas reserves in Lotena formation in Bajada del Palo Oeste ("BDPO"). Extensions include BDPO and Bajada del Palo Este ("BDPE") concession extension additional reserves of Crude oil, condensate and natural gas from September 2025 to November 2053.

(3) Includes proved reserves from successor's purchases of additional working interest in Agua Amarga concession (Charco del Palenque and Jarrilla Quemada fields), Bajada del Palo (subsequently in November 2018 splitted into two concessions BDPO and BDPO), and Entre Lomas (Rio Negro and Neuquén concession), 55% interest in Coirón Amargo Norte, and 1.5% in Acambuco field.

(4) Considers predecessor PELSA's production plus production from the rest of the fields since its acquisition on April 4, 2018.

(5) Natural gas consumption represented 30.1% of consumption plus natural gas sale reported reserves volumes as of January 1, 2018, and 16.9% as of December 31, 2018.

Standardized measure of discounted future net cash flows

The following table discloses estimated future cash flows from future production of proved developed and undeveloped reserves of crude oil, condensate, natural gas liquids and natural gas. As prescribed by SEC Modernization of Oil and Gas Reporting rules and ASC 932 of the FASB Accounting Standards Codification ("ASC") relating to Extractive Activities—Oil and Gas (formerly SFAS No. 69 Disclosures about Oil and Gas Producing Activities), such future net cash flows were estimated using the twelve-month average of the first day-of-the-month reference prices as adjusted for location and quality differentials and using a 10% annual discount factor. Future development and abandonment costs include estimated drilling costs, development and exploitation installations and abandonment costs. These future development costs were estimated based on evaluations made by Vista. The future income tax was calculated by applying the statutory tax rates in effect in Argentina in each period.

This standardized measure is not intended to be and should not be interpreted as an estimate of the market value of the Company's reserves. The purpose of this information is to give standardized data to help the users of the financial statements to compare different companies and make certain projections. It is important to point out that this information does not include, among other items, the effect of future changes in prices costs and tax rates, which past experience indicates that are likely to occur, as well as the effect of future

(Amounts expressed in thousands of US Dollars, unless otherwise specified)

cash flows from reserves which have not yet been classified as proved reserves, of a discount factor more representative of the value of money over the lapse of time and of the risks inherent to the production of oil and gas. These future changes may have a significant impact on the future net cash flows disclosed bellow. For all these reasons, this information does not necessarily indicate the perception the Company has on the discounted future net cash flows from the reserve of hydrocarbons.

	Successor- December 31, 2020	Successor- December 31, 2019	Successor- December 31, 2018
Future cash inflows	4,533	4,457	2,714
Future production costs	(1,921)	(1,927)	(1,338)
Future development and abandonment costs	(788)	(748)	(258)
Future income tax	(418)	(410)	(267)
Undiscounted future net cash flows	**1,406**	**1,372**	**851**
10% annual discount	(668)	(597)	(243)
Standardized measure of discounted future net cash flows [1]	**738**	**775**	**608**

(1) Standardized measure of discounted future net cash flows corresponds to valuation of the reserves in Argentina, estimation of standardized measure of reserves in Mexico is not included (1.2 million USD as of December 31, 2020).

There are not any costs incurred during the periods/years above mentioned in Vista' equity method investments. There are not costs incurred directly associated with oil and gas producing activities in Mexico during the predecessors' periods.

Changes in the standardized measure of discounted future net cash flows

The following table discloses the changes in the standardized measure of discounted future net cash flows for the years ended December 31, 2020 and 2019 and for the period from April 4 to December 31, 2018 (Successor) and for the period from January 1, 2018 to April 3, 2018 (Predecessor):

	Successor For the year ended December 31, 2020	Successor For the year ended December 31, 2019	Successor For the period from April 4, 2018 to December 31, 2018	Predecessor For the period from January 1, 2018 to April 3, 2018
Standardized measure of discounted future net cash flows at beginning of year	**775**	**608**	**124**	**116**
Net change in sales prices and production costs related to future production [1]	(241)	(103)	188	—
Net change in estimated future development costs [2]	(231)	(525)	(145)	—
Net change due to revisions in quantity estimates [3]	20	(1)	35	—
Net change due to extensions, discoveries and improved recovery [4]	362	306	16	—
Accretion of discount	118	352	10	3
Net Change due to purchases and sales of minerals in place [5]	2	—	385	—
Other	—	58	20	1
Sales of crude oil, NGLs and natural gas produced, net of production costs	127	6	(67)	(6)

Previously estimated development costs incurred	(206)	151	99	10
Net change in income tax [6]	12	(77)	(57)	1
Change in Standardized measure of discounted future net cash flows of the year	**(37)**	**167**	**484**	**8**
Standardized measure of discounted future net cash flows at end of year	**738**	**775**	**608**	**124**

(1) For the year ended December 31, 2020 mainly due to lower crude oil realized prices, which decreased from 55.9 US$/bbl as of December 31, 2019 to 42.0 US$/bbl as of December 31, 2020, partially offset by lower average production costs, decreasing a 13.9%. Additionally, for the year ended December 31, 2019, mainly driven

by a decrease in prevailing oil prices from 65.4 US/bbl. by December 31, 2018 to 55.9 US/bbl. by December 2019 partially offset by a reduction in average production costs of 25.1%. Mainly driven by an increase in prevailing oil prices from 54.55 US$/bbl by April 4, 2018 to 60.20 US$/bbl by December 31, 2018 and a reduction in production costs. During such period, average production costs went from 27 US$/bbl to 21 US$/bbl.

(2) Due to the addition of proved undeveloped reserves from additional locations in unconventional Vaca Muerta Bajada del Palo Oeste for the year ended December 31, 2020, partially offset by the removal of development plans in conventional targets. For the year ended December 31, 2019, due to incorporation of a development plan for unconventional developed reserves in Bajada del Palo Oeste. Due to the development plan in Charco del Palenque (addition of two new locations), Entre Lomas Río Negro (recategorization of two probable gas workovers to prove developed).

(3) For the year ended December 31, 2020 due to improved performance of tied-in wells in Bajada del Palo Oeste unconventional reservoirs above estimated type curve. Due to a decrease in proved undeveloped conventional reserves compensated by an increase in proved developed reserves from December 31, 2018 to December 31, 2019. Due to an increase in conventional reserves in Bajada del Palo for the period from April 4 to December 31, 2018.

(4) Due to the addition of proved reserves and proved undeveloped reserves from the development plan in unconventional Bajada del Palo Oeste, for the years ended December 31, 2020 and 2019.

(5) Due to additional interest acquired in Coirón Amargo Norte for the year ended December 31, 2020. Without acquisitions for the year ended December 31, 2019. Due to the acquisition of: APCO, the non-controlling interest in PELSA, and Medanito-25 de Mayo and Jagüel de los Machos for the period from April 4 to December 31, 2018 (Successor).

(6) Due to a decrease/increase of the expected cash inflows for the year ended from December 31, 2020, 2019 and 2018, respectively and due to changes in the corporate income tax rate (see Note 33.1).

Exhibit 4.1

January 19, 2021

Banco de Galicia y Buenos Aires S.A.U.,
Itaú Unibanco S.A., Nassau Branch,
Banco Santander Río, S.A., and
Citibank, N.A. (acting through
its International Banking Facilities)
as Lenders

Itaú Unibanco S.A., Nassau Branch, as Administrative Agent

Re: **Offer No. E/2021**

Ladies and Gentlemen:

Vista Oil & Gas Argentina S.A.U. (f/k/a Vista Oil & Gas Argentina S.A. and the successor of APCO Argentina S.A. and APCO Oil & Gas S.A.U.), a *sociedad anónima unipersonal* organized and existing under the laws of Argentina (the "Borrower"), Vista Oil & Gas, S.A.B. de C.V., a *sociedad anónima bursátil de capital variable* organized under the laws of Mexico ("Vista"), Vista Oil & Gas Holding I, S.A. de C.V., a *sociedad anónima de capital variable* organized under the laws of Mexico ("Vista Holding I") and Vista Oil & Gas Holding II, S.A. de C.V., a *sociedad anónima de capital variable* organized under the laws of Mexico ("Vista Holding II") hereby irrevocably offer (i) Banco de Galicia y Buenos Aires S.A.U., Itaú Unibanco S.A., Nassau Branch ("Banco Itaú"), Banco Santander Rio S.A. and Citibank, N.A. (acting through its International Banking Facilities) (the "Lenders") and (ii) Banco Itaú, as administrative agent (the "Administrative Agent", and collectively with the Borrower and the Lenders, the "Parties", and each individually, a "Party"), to enter into an amended and restated loan agreement in the form attached hereto as Annex I (including all exhibits and schedules thereto) (the "Offer", and once accepted pursuant to the terms hereof, the "Credit Agreement").

This Offer shall be open for acceptance in writing by the Lenders and the Administrative Agent until January 19, 2021, unless extended in writing for an additional period of time by the Borrower (the "Expiration Date"); forthwith after the Expiration Date, this Offer shall automatically lose all force and effect.

Upon written acceptance of the Offer on or before the Expiration Date by all of the addressees hereto, the Agreement shall become in full force and effect subject to the terms and conditions set forth in Annex I as if the Parties had executed and delivered the same and shall be legally binding upon, and enforceable against, each and all of the Parties, and each and all of them shall become parties to the Agreement. The Agreement shall be deemed entered into as of the date of the latest acceptance among of the Lenders and Administrative Agent.

This Offer shall be governed by, and interpreted in accordance with, the law of the State of New York (without regard to conflicts of law principles other than sections 5-1401 and 5-1402 of the New York general obligations law).

We hereby agree that the delivery of the acceptance notice and service of all notices, writs, process and summons in any suit, action or proceeding brought in connection with this Offer may be made upon us by service to the address, and in the manner, set forth in Section 11.1 of Annex I hereto.

Sincerely,

VISTA OIL & GAS ARGENTINA S.A.U.

By: /s/ Alejandro Cherñacov
Name: Alejandro Cherñacov
Title: Investor Relations Officer

VISTA OIL & GAS, S.A.B. DE C.V.

By: /s/ Alejandro Cherñacov
Name: Alejandro Cherñacov
Title: Investor Relations Officer

VISTA OIL & GAS HOLDING I, S.A. DE C.V.

By: /s/ Alejandro Cherñacov
Name: Alejandro Cherñacov
Title: Investor Relations Officer

VISTA OIL & GAS HOLDING II, S.A. DE C.V.

By: /s/ Alejandro Cherñacov
Name: Alejandro Cherñacov
Title: Investor Relations Officer

ANNEX I

TERMS AND CONDITIONS TO
THE OFFER VISTA OIL & GAS ARGENTINA S.A.U. No. E/2021

(see attached)

TABLE OF CONTENTS

Schedules

Exhibits

WHEREAS, the Parties have entered into that certain credit agreement evidenced by Offer VISTA OIL & GAS ARGENTINA S.A. No. 1/2018 dated as of July 19, 2018, as amended on June 10, 2019, March 12, 2020 and July 17, 2020, respectively, executed and delivered by the Borrower, Vista, Vista Holding I, APCO Argentina S.A., a *sociedad anónima* organized and existing under the laws of the Republic of Argentina ("APCO Argentina"), APCO Oil & Gas S.A.U., a *sociedad anónima* unipersonal organized under the laws of the Republic of Argentina (as successor to APCO Oil and Gas International, Inc., "APCO") and accepted by the Lenders and the Administrative Agent on the same date (the "Original Credit Agreement"), pursuant to which the Lenders have extended credit to the Borrower;

WHEREAS, the Borrower has requested that the Lenders agree to amend and restate the Original Credit Agreement; and

WHEREAS, the Lenders have indicated their willingness to agree to such amendments and restatements of the Original Credit Agreement on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and mutual agreements hereinafter contained, the parties hereto hereby agree as follows:

Section 1. Definitions and Principles of Construction.

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"A&R Effective Date" shall mean January 19, 2021.

"Acceptance Date" shall mean July 5, 2018.

"Acknowledgment of Acceptance" shall have the meaning provided in Section 2.4(a).

"Acquisition" shall mean any acquisition by Vista or any of its Restricted Subsidiaries of any of the following: (i) fifty percent (50%) or more of all of the assets of, or all of the outstanding Capital Stock in, a Person, or division or line of business of a Person, or (ii) the Capital Stock of a Person having ordinary voting power to elect a majority of the board of directors or similar governing body of such Person; provided that, (x) any such Person the Capital Stock or division or line of business that is so acquired under clause (i) or (ii) above shall be a Restricted Subsidiary if acquired with funds not constituting Unrestricted Proceeds, and if a Material Subsidiary, shall have provided a Guaranty in accordance with Section 7.10(b) and (y) in the case of clauses (i) and (ii) the business of such acquired Person or division or line of business shall be substantially the same as the Permitted Business of the Borrower and its Subsidiaries as provided in Section 8.5; *provided further* that an "Acquisition" shall not include any acquisition or investment in connection with a Farm-in Agreement.

"Administrative Account" shall mean the account of the Administrative Agent, currently established in New York, at JPMorgan Chase Bank N.A., Swift Code: CBBABSNS, ABA: 021000021, Account No.: 304641898, Account Name: Itaú Unibanco S.A. - Nassau Branch or such other account as may be designated by the Administrative Agent to the Borrower from time to time in writing.

"Administrative Agent" or "Agent" shall mean Itaú Unibanco S.A., Nassau Branch, as administrative agent.

"Administrative Questionnaire" shall mean an administrative questionnaire in a form supplied by the Administrative Agent.

"Affected Interest Period" shall have the meaning provided in Section 2.11.

"Affected Lender" shall have the meaning provided in Section 2.11(a)(ii).

"Affiliate" shall mean, with respect to any Person, (a) any other Person that is directly or indirectly Controlled by, under common control with or controls such Person and (b) any officer, director or partner of such Person.

"Agreement" shall mean this Credit Agreement.

"Aluvional" shall mean Aluvional Logistica S.A., a *sociedad anónima* organized and existing under the laws of Argentina.

"Amendment No. 3" means that certain Amendment No. 3 to the Original Credit Agreement dated as of July 17, 2020.

"Amendment No. 3 Effective Date" shall mean July 17, 2020.

"Annual Permitted Net Income Restricted Payment Amount" shall have the meaning provided in Section 8.6(a)(iii).

"Anti-Corruption Laws" shall mean (a) the United States Foreign Corrupt Practices Act of 1977, (b) the U.K. Bribery Act of 2010, (c) the General Law of Administrative Responsibilities (*Ley General de Responsabilidades Administrativas*) of Mexico, (d) Argentine Law No. 27,401 and its implementing regulations and (e) all applicable implementing regulations for Laws indicated in the foregoing clauses (a) to (d).

"Anti-Money Laundering Laws" shall mean any Law related to money laundering or terrorism financing, including (a) 18 U.S.C. §§ 1956 and 1957; (b) the Bank Secrecy Act, 31 U.S.C. §§ 5311 *et seq.*, as amended by the USA PATRIOT Act, and its implementing regulations, (c) the Federal Law to Prevent and Identify Transactions with Funds Unlawfully Obtained (*Ley Federal para la Prevención e Identificación de Operaciones con Recursos de Procedencia Ilícita*) and its implementing regulations, and (d) Argentine Law No. 25,246 and its implementing regulations.

"APCO" shall mean APCO Oil and Gas International Inc., an exempted company incorporated with limited liability under the laws of the Cayman Islands.

"APCO Sub-Loan Agreement" shall mean that certain Intercompany Loan Agreement, in effect as of July 19, 2018 (as amended, amended and restated, supplemented or otherwise modified from time to time), by and among APCO and Vista Oil & Gas Holding I, S.A. de C.V.

"Applicable GAAP" shall mean, IFRS, Argentine GAAP or FACPCE, as applicable.

"Applicable Margin" shall mean a percentage *per annum* equal to 4.50%.

"Approved Electronic Communications" shall mean each Communication that any Loan Party is obligated to provide to the Administrative Agent pursuant to any Credit Document or the transactions contemplated therein, including any financial statement, financial and other report, notice,

request, certificate and other information material; provided that, solely with respect to delivery of any such Communication by any Loan Party to the Administrative Agent and without limiting or otherwise affecting either the Administrative Agent's right to effect delivery of such Communication by posting such Communication to the Approved Electronic Platform or the protections afforded hereby to the Administrative Agent, the term "Approved Electronic Communications" shall exclude (a) the Notice of Borrowing, (b) any notice of optional prepayment pursuant to Section 4.2 and any other notice relating to the payment of any principal or other amount due under any Credit Document prior to the scheduled date therefor, (c) all notices of any Default or Event of Default and (d) any notice, demand, communication, information, document and other material required to be delivered to satisfy any of the conditions set forth in Section 5 or any other condition to any Borrowing or any condition precedent to the effectiveness of this Agreement.

"Approved Electronic Platform" shall have the meaning provided in Section 11.2(a).

"Approved Fund" shall mean any Fund that is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender or (iii) an entity or an Affiliate of an entity that administers or manages a Lender.

"Argentina" shall mean the Republic of Argentina.

"Argentine GAAP" shall mean Argentine generally accepted accounting principles consistently applied and on a basis consistent with the accounting policies, practices, procedures, valuation methods and principles used by the applicable Loan Party or Subsidiary of a Loan Party in the preparation of its financial statements.

"Argentine Guarantor" shall mean any person organized under the laws of Argentina that becomes a Guarantor pursuant to Section 7.10(b) from time to time.

"Asset Disposition" shall mean, with respect to any Property of any Person, to sell, lease, assign, transfer or otherwise dispose of, directly or indirectly, such Property by such Person, or enter into any sale-leaseback transaction in respect of such Property by such person, other than:

(i) dispositions of Cash and Cash Equivalents, including Unrestricted Proceeds, in exchange for Cash or Cash Equivalents in the ordinary course of business of such Person; and

(ii) sales, transfers or dispositions of Property in a transaction or series of related transactions of assets with a Fair Market Value of less than $5,000,000 individually or $5,000,000 in the aggregate in any fiscal year.

"Assignment and Assumption" shall mean an assignment and assumption entered into by a Lender and an Eligible Assignee, in substantially the form of Exhibit D or any other form approved by the Administrative Agent.

"Authorized Officer" shall mean, with respect to any Person, the Chairman, Vice Chairman, President, any Vice President, Chief Financial Officer, Director, General Manager, Secretary, Manager, Managing Member or other senior officer or attorney-in-fact of such Person.

"Autonomous Promise of Debt" shall have the meaning provided in Section 2.4(a).

"Availability Period" shall mean the period on and from the Effective Date until the date that is five (5) Business Days following the Effective Date.

"Argentine Separate Entity Conditions" shall mean, with respect to any Person, all of the following conditions: (a) a majority of the directors or a majority of the Authorized Officers (other than attorneys-in-fact of such Person), are different than the directors or Authorized Officers (other than attorneys-in-fact of such Person) of the Borrower or any Restricted Subsidiary organized under the laws of Argentina or the Argentine branch of a Restricted Subsidiary, (b) the place of business of such Person is different than the place of business of the Borrower or any Restricted Subsidiary organized under the laws of Argentina or the Argentine branch of a Restricted Subsidiary and (c) any services provided to such Person by any of the Borrower or any Restricted Subsidiary organized under the laws of Argentina or the Argentine branch of a Restricted Subsidiary shall be provided on an arms' length basis.

"Bail-In Action" shall mean the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"Bail-In Legislation" shall mean, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time, which is described in the EU Bail-In Legislation Schedule.

"Bankruptcy Code" shall mean the United States Federal Bankruptcy Code of 1978.

"Base Rate" shall mean, for any day, the rate *per annum* equal to the highest of (a) the Federal Funds Rate for such day plus 0.5%, (b) the Prime Rate for such day and (c) LIBOR for a one-month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1.00%; provided that LIBOR for any day shall be determined at approximately 11:00 a.m. (London time) on such date. Any changes in the Base Rate due to a change in the Prime Rate, the Federal Funds Rate or LIBOR shall be effective on the effective date of such change in the Prime Rate, Federal Funds Rate or LIBOR.

"Borrower" shall have the meaning set forth in the introductory paragraph of this Agreement.

"Borrowing" shall mean the borrowing of the Loans from the Lenders as provided for in Section 2.1.

"Business Day" shall mean (a) for all purposes other than as covered by clause (b) below, any day except Saturday, Sunday and any day which shall be in New York, New York, Mexico City, Mexico, Nassau, The Bahamas, São Paulo, Brazil and Buenos Aires, Argentina a legal holiday or a day on which banking institutions are authorized or required by Law or other government action to close in any such city and (b) with respect to all notices and determinations in connection with, and payments of principal and interest on, LIBOR Loans, any day which is a Business Day described in clause (a) above and which is also a day for trading by and between banks in the London interbank Eurodollar market.

"Capital Adequacy Regulation" shall mean any guideline, request or directive of any central bank or other Governmental Authority, or any other Law, whether or not binding, in each case, regarding capital adequacy or liquidity of any bank or of any Person Controlling a bank.

"Capital Stock" shall mean, with respect to any Person, any and all shares, interests, participations and/or rights or other equivalents (however designated, whether voting or nonvoting, ordinary or preferred) in the ownership, equity or capital of such Person, now or hereafter outstanding, and any and all rights, warrants or options exchangeable for or convertible into any thereof.

"Capitalized Lease Obligations" shall mean, as to any Person, the obligations of such Person to pay rent or other amounts under a lease of (or other agreement conveying the right to use) real and/or personal property, which obligations are required to be capitalized on the books of such Person under Applicable GAAP, in each case taken at the amount thereof accounted for as indebtedness in accordance with Applicable GAAP.

"Cash and Cash Equivalents" shall mean any asset recorded in the consolidated financial statements of any Loan Party under the items "Cash and Cash equivalents", in accordance with Applicable GAAP.

"Casualty Event" shall mean the receipt by any Loan Party or any Restricted Subsidiary of any cash insurance proceeds or condemnation awards or other amounts payable (i) by reason of theft, loss, physical destruction, damage, taking or any other similar event (including, without limitation, an Expropriation Event) with respect to any property or assets of any Loan Party or any Restricted Subsidiary or (ii) under any policy of insurance (other than in respect of business interruption/loss of profits or third-party liability insurance), that are, in each case, in excess of $10,000,000.

"Central Bank" shall mean the Central Bank of Argentina (*Banco Central de la República Argentina*).

"Change in Law" shall mean the occurrence, after the date hereof, of any of the following: (a) the adoption or taking effect of any applicable Law, rule, regulation or treaty, (b) any change in any applicable Law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives issued after the date hereof in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act and (y) all requests, rules, guidelines or directives promulgated after the date hereof by the Bank for International Settlements, the Basel Committee on Banking Supervision or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law".

"Change of Control" shall mean in any event or circumstance, for whatever reason, whereby at any time after the date hereof (i) any Person or group of Persons acquires, directly or indirectly, 30% or more of all classes of Capital Stock in Vista entitled to vote unless (x) such Person or group of Persons is a Permitted Holder or (y) the Permitted Holders own a greater percentage in the aggregate of all classes of Capital Stock than such Person or group of Persons or (ii) Vista ceases to either, (x) directly or indirectly through wholly owned Subsidiaries (excluding qualifying stock), own 100% of the Capital Stock of the Borrower owned by Vista on the Effective Date or (y) Control the Borrower.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commitment" shall mean, as to each Lender, its obligation to make Loans to the Borrower pursuant to Section 2.1 in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 2.1 under the caption "Commitments".

"Communications" shall mean each notice, demand, communication, information, document and other material provided for hereunder or under any other Credit Document or otherwise transmitted between the parties hereto relating to this Agreement, the other Credit Documents, any Loan Party or its Subsidiaries, or the transactions contemplated by this Agreement or the other Credit Documents, including all Approved Electronic Communications.

"Connection Income Taxes" shall mean Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated" shall mean the consolidation of accounts of a Person and its Subsidiaries (other than Unrestricted Subsidiaries) whose accounts are required to be consolidated with those of such Person in accordance with Applicable GAAP.

"Consolidated EBITDA" shall mean, as to any Person for any period, for such Person and its Subsidiaries (other than Unrestricted Subsidiaries) on a Consolidated basis, (a) Consolidated Operating Income for such period, plus (b) to the extent deducted in determining Consolidated Operating Income for such period, the sum of, without duplication, (i) depreciation and amortization expenses for such period and (ii) non-cash charges, expenses or losses for such period (other than any non-cash charge, expense or loss to the extent it represents an accrual of or a reserve for cash expenditures in any future period or amortization of a prepaid cash item that was paid in a prior period), including, without limitation, non-cash compensation to directors, officers or employees minus (c) to the extent included in determining Consolidated Operating Income for such period, non-cash gains for such period (other than any non-cash gains to the extent it represents the reversal of an accrual or a reserve for potential cash gain in any prior period or any non-cash gains in respect of which cash was received in a prior period or will be received in a future period); provided that the Consolidated EBITDA of any Person, asset or line of business acquired by Vista or any of its Restricted Subsidiaries as an Acquisition during such period shall be included on a pro forma basis for such period (assuming the consummation of such acquisition and the incurrence or assumption of any Indebtedness in connection therewith occurred as of the first day of such period) and such pro forma calculation will be based upon financial statements for such Person, asset or line of business prepared in accordance with Applicable GAAP. For the avoidance of doubt, for the purposes of determining the ratios described in Section 8.10, the Consolidated EBITDA of the Loan Parties and the Restricted Subsidiaries and of Vista Holding I and its Restricted Subsidiaries, as the case may be, shall be determined (i) for the Test Period ending September 30, 2018 by adding the Consolidated EBITDA of such acquired Person for the fiscal quarter ending June 30, 2018 to the Consolidated EBITDA of such Person for the fiscal quarter ending September 30, 2018 and multiplying such results by a factor of two (2) and (ii) for the Test Period ending December 31, 2018, by (x) adding the results Consolidated EBITDA of such acquired Person for the fiscal quarter ending June 30, 2018, Consolidated EBITDA for the fiscal quarter ending September 30, 2018 and the Consolidated EBITDA of such Person for the fiscal quarter ending December 31, 2018, (y) dividing such result by nine (9) and (z) multiplying such result by twelve (12).

"Consolidated Interest Coverage Ratio" shall mean, for any date of determination, the ratio of (a) Consolidated EBITDA of Vista and its Restricted Subsidiaries for the Test Period ended on such date (or, if such date is not the last day of a fiscal quarter, ended on the last day of the fiscal quarter most recently ended prior to such date) to (b) Consolidated Interest Expense of Vista and its Restricted Subsidiaries for such period.

"Consolidated Interest Expense" shall mean, for any Test Period, to the extent paid in cash, interest expense on the Indebtedness of Vista and its Restricted Subsidiaries on a Consolidated basis, including without duplication: (a) the interest or fee portion of any deferred payment obligations of such period, (b) all fees and charges paid or payable with respect to letters of credit or performance or other bonds for such period, (c) all accrued or capitalized interest (including default interest) for such period and (d) the interest component of any Capitalized Lease Obligations but excluding the interest component of operating capital leases in accordance with Applicable GAAP; provided that the Consolidated Interest Expense of any Person, assets or line of business acquired by Vista or any of its Restricted Subsidiaries during such period shall be included on a *pro forma* basis for such period (assuming the consummation of such acquisition and the incurrence or assumption of any Indebtedness in connection therewith occurred as of the first day of such period).

"Consolidated Net Income" shall mean, as to any Person for any period, the net income (or loss) of such Person and its Subsidiaries (other than Unrestricted Subsidiaries) on a Consolidated basis for such period.

"Consolidated Operating Income" shall mean, as to any Person for any period, the operating profit of such Person and its Subsidiaries (other than Unrestricted Subsidiaries) on a Consolidated basis for such period, as reported in accordance with Applicable GAAP.

"Consolidated Total Assets" shall mean, as to any Person for any period, as of any date of determination, the aggregate total value of all current and non-current assets of such Person and its Subsidiaries (other than Unrestricted Subsidiaries) on a Consolidated basis for such period, as determined in accordance with Applicable GAAP.

"Consolidated Total Debt" shall mean, as of any date of determination, the aggregate principal amount of all Indebtedness of Vista and its Restricted Subsidiaries as of such date on a Consolidated basis in accordance with the Applicable GAAP; provided, that any Indebtedness incurred or assumed in connection with any Acquisition occurring during such period shall be included on a pro forma basis for such period (assuming the consummation of such acquisition and the incurrence or assumption of any Indebtedness in connection therewith occurred as of the first day of such period) and such pro forma calculation will be based upon financial statements for such acquired company, division or line of business prepared in accordance with Applicable GAAP. For the avoidance of doubt, undrawn bank lines of credit shall not be deemed Indebtedness for the purposes of determining Consolidated Total Debt.

"Consolidated Total Debt to Consolidated EBITDA Ratio" shall mean, for any date of determination, the ratio of (a) Consolidated Total Debt as of such date to (b) Consolidated EBITDA of Vista and its Restricted Subsidiaries for the Test Period ended on such date (or if such date is not the last day of a fiscal quarter, ended on the last day of the fiscal quarter most recently ended prior to such date).

"Contingent Obligation" shall mean, as to any Person, any obligation of such Person guaranteeing any Indebtedness ("primary obligations") of any other Person (the "primary obligor") in any manner, whether directly or indirectly; provided, however, that the term Contingent Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business.

"Control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Credit Documents" shall mean and include (a) the Original Credit Agreement as amended and restated by this Agreement, (b) the Fee Letter, (c) the Guaranties, (d) the Autonomous Promises of Debt that are executed and delivered pursuant to Section 2.4. hereof, (e) all other documents and instruments executed and/or delivered by the Agent, the Lenders and/or any Loan Party in connection with this Agreement, (f) that certain Consent No. 1 to the Original Credit Agreement, dated as of January 17, 2020 and (g) any other document designated from time to time by the Borrower as a "Credit Document".

"Debtor Relief Laws" shall mean the Bankruptcy Code of the United States of America, Argentine Law No. 24,522, the Bankruptcy Law of Mexico (*Ley de Concursos Mercantiles*) and all other liquidation, conservatorship, bankruptcy, *concurso mercantil, quiebra*, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, restructuring, winding-up or composition or readjustment of debts or similar debtor relief Laws of the United States, Argentina or Mexico from time to time in effect.

"Deeply Subordinated Indebtedness" means, with respect to Vista or any Restricted Subsidiary, any subordinated Indebtedness of such Person which is (i) subordinated in right of payment to the Loans pursuant to a subordination agreement to which the Administrative Agent (for the benefit of the Lenders) and the subordinated creditors are parties, (ii) (A) does not mature or require any amortization, redemption or other repayment of principal, (B) does not require payment of any cash interest or any similar cash amounts and (C) contains no change of control or similar provisions and (D) does not accelerate and has no right to declare a default or event of default or take any enforcement action or otherwise require any cash payment of such Person (other than as a result of insolvency proceedings of such Person), in each case, prior to the 90th day following the Maturity Date of the Loans and all other amounts due hereunder,(iii) does not provide for or require any security interest or encumbrance over any asset of Vista or any Restricted Subsidiary and (iv) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Loans or compliance by the Loan Parties with their respective obligations under this Agreement.

"Default" shall mean any event, act or condition which, upon the giving of notice or lapse of time, or both, would constitute an Event of Default.

"Defaulting Lender" shall mean, subject to Section 2.12(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans on the date such Loans were required to be funded hereunder unless such failure is the result of one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) not being satisfied, or (ii) pay to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when due, (b) has notified the Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator or assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-in Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender, or any direct or indirect parent company thereof, by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. The Administrative Agent shall provide prompt written notice to the Borrower and the Lenders to the extent it receives written notice of the occurrence of one of the aforementioned events, or it otherwise has actual knowledge of such occurrence.

"Deferred Principal Amount" means the principal amounts of $1,500,000 and $3,000,000 in respect of the Scheduled Repayment of Loans owed to Citibank N.A. under the Credit Agreement due on July 20, 2020 and January 20, 2021, respectively, deferred to January 20, 2022 and July 20, 2022, respectively; provided, that in the case of the Scheduled Repayment of Loans due on January 20, 2021, such payment shall only be deferred on or after the date on which the second disbursement of Peso Loans has been funded under the Peso Credit Agreement.

"Disbursement Date" shall mean the date on which a Borrowing is made pursuant to Section 2.1.

"Disqualified Institution" shall mean, on any date, any competitors to the Borrower specified, from time to time, in writing by the Borrower to the Administrative Agent from no less than eight (8) Business Days prior to such date.

"Dollars" and the sign "$" shall each mean the lawful currency of the United States.

"Effective Date" shall mean July 19, 2018.

"EEA Financial Institution" shall mean (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" shall mean any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" shall mean any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Eligible Assignee" shall mean (a) a Lender, (b) an Affiliate of a Lender (other than an Approved Fund), (c) an Approved Fund or (d) any other Person (other than a natural person); provided that, notwithstanding the foregoing, "Eligible Assignee" shall not include any Defaulting Lender, any Affiliate of a Defaulting Lender or any of Vista or its Subsidiaries or Affiliates.

"Environmental Claim" shall mean, with respect to any Person, any litigation, arbitration, action, suit, claim or proceeding alleging or asserting such Person's liability, including for investigatory costs, cleanup costs, consultants' fees, governmental response costs, damages to natural resources (including wetlands, wildlife, aquatic and terrestrial species and vegetation), property damages, personal injuries, fines or penalties arising out of, based on or resulting from (i) the presence, or Release, of any Hazardous Material at any location, whether or not owned by such Person, (ii) any exposure to Hazardous Materials or (iii) any violation, or alleged violation, of any Environmental Law or Governmental Approval issued under any Environmental Law.

"Environmental Laws" shall mean any and all Laws, now or hereafter in effect, and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or non-appealable judgment, relating to the protection of the environment, or, to the extent relating to exposure to Hazardous Materials, of human health or safety, or to Releases or threatened Releases of Hazardous Materials into the environment including ambient air, surface water, groundwater, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of, or exposure to, Hazardous Materials.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" shall mean each person (as defined in Section 3(9) of ERISA) which, together with Vista or any Restricted Subsidiary, would be deemed to be a "single employer" (a) within the meaning of Section 414(b), (c), (m) or, (o) of the Code or (b) as a result of Vista or any Restricted Subsidiary being or having been a general partner of such person.

"EU Bail-In Legislation Schedule" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Event of Default" shall have the meaning provided in Section 9.

"Excluded Taxes" shall mean any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income or net profits (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes; (b) Taxes attributable to such Recipient's failure to comply with Section 4.13 (e), (f) and (g); (c) any Taxes imposed under FATCA; (d) any Argentine withholding Taxes imposed on amounts payable hereunder to or for the account of any Lender in excess of the withholding Taxes that would have been imposed had such Lender been a banking or financing institution that: (i) is overseen by a Central Bank or an equivalent agency; and (ii) is located in a jurisdiction (x) other than a jurisdiction considered as a "non-cooperative jurisdiction" for fiscal transparency purposes or a "low or nil tax jurisdiction" in accordance with Argentine income tax law and its implementing regulations or (y) that has executed an exchange of information agreement with Argentina, and does not have, banking or stock market secrecy domestic laws that prevent the Lender from disclosing information to its tax authorities, except to the extent that Argentine withholding Taxes in excess of such withholding Taxes are imposed as a result of a Change in Law; (e) any Taxes imposed on amounts payable hereunder to or for the account of any Fixed Rate Lender; and (f) any U.S. federal backup withholding Taxes.

"Existing Credit Facility" means the credit agreement dated as of April 4, 2018, among Vista, as borrower, Credit Suisse AG Cayman Islands Branch, as administrative agent, and La Sucursal de Citibank, N.A., a branch of Citibank, N.A., as Argentine collateral agent and each lender from time to time party thereto, pursuant to which Vista incurred loans, of which an aggregate principal amount of $260 million is outstanding as of the date hereof (together with all interest, fees, charges, expenses and costs accrued in respect thereof.

"Expropriation Event" shall mean, with respect to any Person, (a) any condemnation, nationalization, seizure or expropriation by a Governmental Authority of all or a substantial portion of any of the properties or assets of such Person or of its Capital Stock, (b) any assumption by a Governmental Authority of control of all or a substantial portion of any of the properties, assets or business operations of such Person or of its Capital Stock, (c) any taking of any action by a Governmental Authority for the dissolution or disestablishment of such Person or (d) any taking of any action by a Governmental Authority that would prevent such Person from carrying on its business or operations or a substantial part thereof.

"FACPCE" shall mean the professional accounting standards, as adopted by the *Federación Argentina de Consejos Profesionales de Ciencias Económicas* and as in effect from time to time, together with its pronouncements thereon from time to time, and applied on a consistent basis.

"Fair Market Value" shall mean, with respect to any asset, the price at which a willing buyer, who is not an Affiliate of the seller, and a willing seller who does not have to sell, would agree to purchase and sell such asset, as determined in good faith by the board of directors or other governing body of Vista or, pursuant to a specific delegation of authority by such board of directors or governing body, by a designated senior executive officer of Vista.

"Farm-In Agreement" means an agreement whereby a Person agrees to pay all or a share of the drilling, completion or other expenses of one or more exploratory or development wells (which agreement may be subject to a maximum payment obligation, after which expenses are shared in accordance with the working or participation interests therein or in accordance with the agreement of the parties) or perform the drilling, completion or other operation on such well or wells as all or a part of the consideration provided in exchange for an ownership interest in a Property.

"Farm-Out Agreement" means a Farm-In Agreement viewed from the standpoint of the party that transfers an ownership interest to another.

"FATCA" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any agreements entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental agreement entered into between the United States and the government of another country in order to implement the requirements of such Sections, and any current or future regulations or official interpretations of the foregoing.

"Federal Funds Rate" shall mean, for any day, the rate *per annum* (rounded upward, if necessary, to the nearest 1/100th of 1%) equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System of the United States arranged by federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the next succeeding Business Day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the immediately preceding Business Day as so published on the next succeeding Business Day and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate quoted to the Administrative Agent on such day on such transactions from three federal funds brokers of recognized standing as selected by it.

"Fee Letter" shall mean the Fee Letter dated the Acceptance Date, between, *inter alia*, the Borrower and the Joint Lead Arrangers relating to the facility provided herein.

"Fixed Rate Lender" shall mean any Lender that has a Fixed Rate Loan Commitment or a Fixed Rate Loan.

"Fixed Rate Loans" shall have the meaning provided to it in Section 2.1(b).

"Fixed Rate Loan Commitment" shall mean, with respect to any Fixed Rate Lender at any time, the amount set forth opposite such Lender's name on Schedule 2.1 hereto under the caption "Fixed Rate Loan Commitment" or, if such Lender has entered into one or more Assignment and Acceptances, set forth for such Lender in the Register maintained by the Administrative Agent pursuant to Section 12.3(c) as such Lender's "Fixed Rate Loan Commitment".

"Floating Rate Lender" shall mean any Lender holding a Floating Rate Loan Commitment or a Floating Rate Loan.

"Floating Rate Loan Commitment" shall mean, with respect to any Floating Rate Lender at any time, the amount set forth opposite such Lender's name on Schedule 2.1 hereto under the caption "Floating Rate Loan Commitment" or, if such Lender has entered into one or more Assignment and Acceptances, set forth for such Lender in the Register maintained by the Administrative Agent pursuant to Section 12.3(c) as such Lender's "Floating Rate Loan Commitment".

"Floating Rate Loans" shall have the meaning provided to it in Section 2.1(a).

"Floating Rate Required Lenders" shall have the meaning provided to it in Section 2.11(b)(i).

"Foreign Exchange Regulations" shall mean the Communication 'A' 7106 of the Central Bank, as amended and/or supplemented from time to time.

"Foreign Exchange Regulations Event" shall mean the date on which any of the Foreign Exchange Regulations are extended past July 2021.

"Fund" shall mean any Person (other than a natural person) that is or will be engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"Governmental Approval" shall mean any necessary authorization, approval, consent, license, concession, ruling, permit, tariff, rate, certification, order, validation, exemption, waiver, variance, opinion of, or registration, filing or recording with, any Governmental Authority.

"Governmental Authority" shall mean any government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, judicial or administrative body, domestic, federal, state or local (including, if applicable, foreign and supranational) having jurisdiction over the matter or matters in question, including those in Argentina, Mexico and the United States.

"Guarantor" shall mean Vista, Vista Holding II and each Restricted Subsidiary set forth on Schedule 6.28 under the heading "Guarantors", and (i) each other Material Subsidiary of Vista that shall execute and deliver a Guaranty in accordance with Section 7.10(b) and (ii) Aluvional to the extent required by Section 8.12(c); provided that, for the avoidance of doubt, the Borrower shall not be deemed a Guarantor.

"Guaranty" shall mean each guaranty entered into by each Guarantor in substantially the terms set forth in Exhibit E.

"Hazardous Material" shall mean any hazardous or toxic substances, materials or wastes defined, listed, classified or regulated as such in or under any applicable Environmental Laws, including: (a) any petroleum or petroleum products (including gasoline or crude or any fraction thereof), flammable explosives, radioactive materials, asbestos, urea formaldehyde foam insulation and polychlorinated biphenyls; (b) any chemicals, wastes, materials or substances defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "extremely hazardous wastes", "restricted hazardous wastes", "toxic substances", "toxic pollutants", "contaminants" or "pollutants", or words of similar import, under any applicable Environmental Law; and (c) any other chemical, waste, material or substance exposure to or Release of which is prohibited, limited or regulated by any Governmental Authority under any applicable Environmental Law.

"Hedging Agreements" shall mean any interest rate protection agreement, foreign exchange contracts, currency swap agreements, commodity agreements or other similar arrangements, or arrangements designed to protect against fluctuations in interest rates, currency values or commodity prices.

"ICE LIBOR" shall have the meaning assigned to that term in the definition of LIBOR.

"IFRS" shall mean the International Financial Reporting Standards, as adopted by the International Accounting Standards Board and as in effect from time to time, together with its pronouncements thereon from time to time, and applied on a consistent basis.

"Indebtedness" shall mean, with respect to any Person, without duplication, (a) any indebtedness (including principal, overdue interest and overdrafts) of such Person (i) evidenced by any notes, bonds, debentures or similar instruments made or issued by such Person, (ii) for borrowed money or with respect to deposits or advances of any kind, or (iii) for the deferred purchase price of property or services; (b) all of such Person's liabilities in respect of letters of credit or instruments serving a similar function issued or accepted for its account by banks and other financial institutions, provided that, for purposes of Section 8.10, obligations under trade letters of credit, standby letters of credit or surety bonds incurred by any such Person in the ordinary course of business shall, in each case, be excluded from the definition of "Indebtedness," except in each case to the extent that any such letters of credit and/or surety bonds are actually drawn upon; (c) all Contingent Obligations of such Person; (d) [reserved]; (e) all obligations, contingent or otherwise, of such Person in connection with any securitization of any products, receivables or other Property which obligations are recourse to such Person or such Person's property; (f) all obligations under any Hedging Agreement or under any similar type of agreement to the extent required to be reflected on a balance sheet of such Person (provided that the amount of Indebtedness in respect of the Hedging Agreements shall be at any time the unrealized net loss position, if any, of a Person thereunder on a marked-to-market basis determined no more than one (1) month prior to such time, after giving effect to any netting arrangement), (g) all redemption obligations of such Person in respect of mandatorily redeemable preferred stock; (h) all Capitalized Lease Obligations of such Person and similar obligations under "synthetic leases" of such Person; (i) the indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation, a limited liability company or other similar organization) in which such Person is a general partner or a joint venture, solely in an amount equal to the portion of such Indebtedness for which such Person is liable as a general partner or member under the partnership or joint venture, unless such Indebtedness is expressly made non-recourse to such Person; and (j) all Indebtedness referred to in clauses (a) through (i) secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on Property of such Person even though such Person has not assumed or become liable for the payment of such Indebtedness (and, in connection therewith, the amount of "Indebtedness" under this clause (j) shall be limited to the lesser value of the amount of such Indebtedness and the value of such Property); provided that Indebtedness shall not include (w) trade payables arising in the ordinary course of business so long as such trade payables are payable in the ordinary course of business and are not overdue more than 90 (ninety) days, (x) any obligation in respect of a Farm-In Agreement, Farm-Out Agreement or similar arrangement whereby such Person agrees to pay all or a share of the drilling, completion or other expenses of an exploratory or development well (which agreement may be subject to a maximum payment obligation, after which expenses are shared in accordance with the working or participation interest therein or in accordance with the agreement of the parties) or perform the drilling, completion or other operation on such well in exchange for an ownership interest in an oil or gas property and (y) solely with respect to the calculation of the financial covenants in Section 8.10 and any pro forma determinations of such covenants pursuant to any other provision hereunder, Deeply Subordinated Indebtedness.

"Indemnified Costs" shall have the meaning provided in Section 10.5(a).

"Indemnified Liabilities" shall have the meaning provided in Section 12.2(a).

"Indemnified Person" shall have the meaning provided in Section 12.2(a).

"Indemnified Taxes" shall mean (a) all Taxes other than Excluded Taxes imposed on or with respect to payment made by or on account of any obligation of the Borrower under any Credit Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"Information" shall have the meaning set forth in Section 11.3.

"Interest Determination Date" shall mean the second (2nd) Business Day immediately preceding the commencement of any Interest Period.

"Interest Period" shall mean, for (i) any Loan, the period commencing on (and including) the Disbursement Date of such Loan and ending on the date occurring six-months thereafter, and thereafter each period commencing on (and including) the last day of the preceding Interest Period and ending on (but excluding) the numerically corresponding day in the calendar month that is six (6) months thereafter; provided that (i) any Interest Period that would otherwise end on a day that is not a Business Day shall end on the next succeeding Business Day unless such succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the immediately preceding Business Day, and (ii) any Interest Period that would otherwise commence before and end after the Maturity Date shall end on the Maturity Date.

"Interpolated Rate" shall mean, at any time, the rate per annum determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the ICE LIBOR for the longest period (for which that ICE LIBOR is available in Dollars) that is shorter than the Impacted Interest Period and (b) the ICE LIBOR for the shortest period (for which that ICE LIBOR is available for Dollars) that exceeds the Impacted Interest Period, in each case, at such time; provided that if the Interpolated Rate is less than zero, the "Interpolated Rate" at such time shall be deemed to be zero.

"Investment" shall have the meaning provided in Section 8.4.

"Joint Lead Arrangers" shall mean, collectively, Banco de Galicia y Buenos Aires S.A.U., Itau BBA USA Securities, Inc, Banco Santander Río S.A. and Citibank, N.A., in their respective capacities as joint bookrunners under this Agreement, or any or all of them, as the case may be.

"Judgment Currency" shall have the meaning provided in Section 12.6(a).

"Judgment Currency Conversion Date" shall have the meaning provided in Section 12.6(a).

"July 2021 Escrow Amount" means 45% of the difference between (x) (i) prior to a Foreign Exchange Regulations Event or if the Foreign Exchange Regulations are no longer in full force and effect, $37,500,000 or (ii) following a Foreign Exchange Regulations Event and so long as such Foreign Exchange Regulations are in full force and effect, $30,000,000 and (y) the Permitted Refinancing Indebtedness incurred by the Borrower on or before July 31, 2021 to refinance the July 2021 Notes.

"July 2021 Notes" means the *obligaciones negociables no convertibles en acciones*, Clase I issued by the Borrower under Argentine law, for an amount of $50,000,000, which maturity date is July 31, 2021.

"July 2021 Prepayment Penalty Amount" means 45% of the difference between (x) (i) prior to a Foreign Exchange Regulations Event or if the Foreign Exchange Regulations are no longer in full force and effect, $37,500,000 or (ii) following a Foreign Exchange Regulations Event and so long as such Foreign Exchange Regulations are in full force and effect, $30,000,000 and (y) the Permitted Refinancing Indebtedness incurred by the Borrower on or before the Refinancing Deadline to refinance the July 2021 Notes.

"Law" shall mean, with respect to any Person (a) any statute, law, regulation, ordinance, rule, judgment, order, decree, permit, concession, grant, franchise, license, agreement or other governmental restriction or any interpretation or administration of any of the foregoing by any Governmental Authority (including Governmental Approvals) and (b) any directive, guideline, policy, requirement or any similar form of decision of or determination by any Governmental Authority which is binding on such Person, in each case, whether now or hereafter in effect.

"Leaseholds" of any Person shall mean all the right, title and interest of such Person as lessee or licensee in, to and under concessions, easements, leases or licenses of land, improvements, mining rights and/or fixtures.

"Lenders" means the Persons identified as Lenders in the introductory paragraph of this Agreement and any other Person that shall have become party hereto pursuant to an Assignment and Assumption in accordance with Section 12.3, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

"Lending Office" shall mean, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time designate by notifying the Borrower and the Administrative Agent in writing.

"LIBOR" or "LIBO Rate" shall mean for any Interest Period with respect to a LIBOR Loan, the ICE Benchmark Administration Limited's LIBOR ("ICE LIBOR") that appears on Page LIBOR01 of the Reuters screen (or such other page as may replace such page on that service) as of 11:00 a.m., London time, on the second (2nd) Business Day prior to the commencement of such Interest Period for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period provided that, in each case, (i) if such published rate is not available at such time for any reason, the "LIBO Rate" for such Interest Period (an "Impacted Interest Period") shall be the Interpolated Rate and (ii) if any such rate is below zero, the "LIBO Rate" for such Interest Period with respect to such Loan shall be deemed to be zero.

"LIBOR Loan" shall mean each Loan bearing interest at a rate based on the LIBO Rate.

"LIBOR Successor Rate" shall have the meaning provided in Section 2.11(b).

"Lien" shall mean any mortgage, pledge, hypothecation, security trust, securitization, assignment, deposit arrangement, encumbrance, bonding registry note, lien (statutory or other) or other security agreement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any financing or similar statement or notice filed under any recording or notice statute, and any lease having substantially the same effect as any of the foregoing); provided that in no event shall an operating lease be deemed a Lien.

"Loan Party" shall mean, collectively, the Borrower and the Guarantors and any other Material Subsidiary of Vista that is party from time to time to the Guaranty, or any or all of them, as the case may be.

"Loan Commitments" shall mean the Fixed Rate Loan Commitment or the Floating Rate Loan Commitment, or both as the case may be.

"Loans" shall mean the Fixed Rate Loans or the Floating Rate Loans, or both as the case may be.

"Material Adverse Effect" shall mean a material adverse effect on: (a) the operations, performance, business, properties, liabilities (actual or contingent) or condition (financial or otherwise) of any Loan Party and its Restricted Subsidiaries, taken as a whole, (b) the ability of the Loan Parties, taken as a whole, to perform their obligations under any Credit Document to which they are a party or (c) the rights and remedies available to the Lenders, or the Agent under any Credit Document.

"Material Agreements" shall mean (a) any contract, agreement, license, concession or instrument entered into by Vista or any of its Subsidiaries that creates or evidences revenues of Vista with a monetary amount in excess of $40,000,000 (or its equivalent in other currencies) and (b) any agreement evidencing Material Indebtedness.

"Material Concessions" shall mean each concession of any Loan Party set forth on Schedule 9.15 and, if obtained after the Disbursement Date, each concession of Vista or any Restricted Subsidiary having a book-value equal to or greater than 10% of Consolidated Total Assets of Vista.

"Material Indebtedness" shall mean (i) under Section 6.10, Indebtedness of Vista or any of its Subsidiaries in an aggregate outstanding principal amount exceeding $10,000,000 or (ii) under Section 9.4, Indebtedness of Vista or any of its Subsidiaries in an aggregate outstanding principal amount exceeding $30,000,000.

"Material Subsidiaries" shall mean any Restricted Subsidiary whose assets, revenues or EBITDA accounted for 10% or more of the consolidated revenues of Vista, Consolidated Total Assets of Vista, or Consolidated EBITDA of Vista, as the case may be, in each case, as of the quarter most recently ended for which Vista has delivered financial statements to the Administrative Agent in accordance with Section 7.1(a).

"Maturity Date" shall mean July 20, 2023.

"Mexico" shall mean the United Mexican States (*Estados Unidos Mexicanos*).

"Multiemployer Plan" shall mean any multiemployer plan as defined in Section 4001(a)(3) of ERISA that is subject to ERISA.

"Negotiation Period" shall have the meaning provided in Section 2.11.

"Net Available Proceeds" shall mean:

(a) with respect to any Asset Disposition, the aggregate amount of all cash payments received by any Loan Party or any of its Subsidiaries, as applicable, directly or indirectly (or by any Person on its behalf), in connection with such Asset Disposition; and

(b) with respect to any Casualty Event, the aggregate amount of proceeds of insurance, condemnation awards and other compensation received or deemed received by any Loan Party or any of its Subsidiaries (or by any Person on its behalf) directly or indirectly in respect of such Casualty Event;

provided that (A) such Net Available Proceeds shall be net of the following actual costs incurred in connection with any transaction: (x) the amount of any reasonable and documented legal, accounting, title and recording tax expenses, brokerage expenses, underwriting discounts and commissions, consultant and other similar fees and commissions paid by any Loan Party or any of its Subsidiaries, as applicable and (y) any applicable and documented income or other taxes actually paid or estimated to be payable on or prior to the Maturity Date, in each case directly as a result of such Asset Disposition (but only to the extent that such estimated taxes are in fact paid to the relevant Governmental Authority on or prior to the Maturity Date) and (B) such Net Available Proceeds shall be net of any repayments in cash by Vista or any of its Subsidiaries of Indebtedness to the extent that (x) such Indebtedness or any Contingent Obligations in connection with such Indebtedness is secured by a Lien on the property that is the subject of such sale or event referred to above or, is otherwise required to be repaid to consummate such sale or event, (y) such Indebtedness or any Lien or Contingent Obligations in connection with such Indebtedness were not created in connection with or in anticipation of such sale or event and (z) such Indebtedness is actually repaid or defeased with such proceeds "Notice of Borrowing" shall have the meaning provided in Section 2.2.

"Obligations" shall mean, collectively, all loans, advances, debts, liabilities and obligations, howsoever arising, owed under any Credit Document, or otherwise in connection with the transactions contemplated in the Credit Documents, to the Agent (including former Agents), the Lenders, the Joint Lead Arrangers and the beneficiaries of the indemnification obligations undertaken by any Loan Party under any Credit Document, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including all interest (including interest that, but for the filing of a petition in bankruptcy or other insolvency proceeding with respect to any Loan Party, would have accrued on any Obligation, whether or not a claim is allowed against such Loan Party for such interest in the related bankruptcy or other insolvency proceeding), payments of fees, charges, expenses, attorneys' fees, court costs and consultants' fees chargeable to such Loan Party in accordance with Section 12.1.

"OFAC" shall mean the Office of Foreign Assets Control of the United States Department of the Treasury.

"Organizational Documents" shall mean, with respect to any Person, (a) the articles of incorporation, organizational deed or other similar organizational document of such Person (including any amendments thereto), (b) the by-laws, *estatutos sociales* or other similar document of such Person (including any amendments thereto), (c) any certificate of designation or instrument relating to the rights of preferred shareholders or other holders of Capital Stock of such Person and (d) any shareholder rights agreement or other similar agreement (including any amendments thereto).

"Original Credit Agreement" shall have the meaning provided in the Preamble.

"Other Connection Taxes" shall mean, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Credit Document, or sold or assigned an interest in any Loan or any Credit Document).

"Other Taxes" shall mean all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Credit Document, except such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 4.14).

"Participant" shall have the meaning provided in Section 12.3(d).

"Participant Register" shall have the meaning provided in Section 12.3(e).

"Payor" shall have the meaning provided in Section 4.11.

"Permitted Business" shall have the meaning provided in Section 8.5.

"Permitted Jaguar Farm-In Agreement" shall mean the Farm-In Agreement to be entered into in connection with the farm-in project between the Borrower, as farmee, and Jaguar Exploracion y Produccion de Hidrocarburos, S.A.P.I. de C.V., as farmor, regarding Block 5 Tampico-Misantla (TM-01) and Block 9 Cuencas del Sureste (CS-01) awarded by CNH under Bidding Round 2.2, and Pantera Exploracion y Produccion 2.2., S.A.P.I. de C.V., as farmor, regarding Block 10 Cuencas del Sureste, Area Contractual 10 (B-10) awarded by CNH under Bidding Round 2.2.

"Permitted CASO Farm-Out Agreement" shall mean the potential Farm-Out Agreement, pursuant to which the Borrower intends to, among other arrangements to be agreed, swap its working interest in *Coirón Amargo Suroeste* in exchange for a working interest in another *Vaca Muerta* block of comparable value.

"Permitted Holders" shall mean the Borrower, any Guarantor and/or the management team of each of the foregoing.

"Permitted Liens" shall have the meaning provided in Section 8.1.

"Permitted Midstream Disposition Transaction" shall mean the sale, transfer, assignment or disposition of any storage, treatment, transportation, asset or any other energy infrastructure assets owned by any Restricted Subsidiary to any Person.

"Permitted Vista Argentina Reorganization Transaction" shall mean the re-domiciliation of APCO Cayman to Argentina and the amalgamation, consolidation or merger with or into, or acquisition of all or substantially all of the assets of APCO Cayman by, the Borrower and/or APCO Argentina, in a single or series of transactions, to ultimately amalgamate, consolidate or merge into the Borrower.

"Permitted Transactions" shall mean Permitted Vista Argentina Reorganization Transaction, Permitted Jaguar Farm-In Agreement, Permitted CASO Farm-Out Agreement and Permitted Midstream Disposition Transaction.

"Person" shall mean any individual, corporation, limited liability company, company, voluntary association, partnership, joint venture, trust, unincorporated organization, Governmental Authority or other enterprises or entity.

"Peso Loan" means any amounts due and outstanding by the Borrower under the Peso Credit Agreement.

"Peso Credit Agreement" means the syndicated loan agreement (as amended, modified, supplemented, increased, extended, restated, renewed, refinanced or replaced from time to time), dated as of July 17, 2020, among the Borrower, Banco de Galicia y Buenos Aires S.A.U., Banco Santander Rio S.A., La Sucursal de Citibank, N.A. establecida en la República Argentina and Banco Itaú Argentina S.A., as lenders, and Banco de Galicia y Buenos Aires S.A.U, as administrative agent.

"Pesos" shall mean the lawful currency of Argentina.

"Plan" shall mean any pension plan as defined in Section 3(2) of ERISA that is subject to ERISA other than a Multiemployer Plan.

"Prime Rate" shall mean the "prime rate" as most currently reported in the "Money Rates" column of *The Wall Street Journal*.

"Pro Forma Basis" means, with respect to the calculation of the financial covenants contained in Section 8.10 for purposes of determining (i) the Consolidated Interest Coverage Ratio or (ii) Consolidated Total Debt to Consolidated EBITDA Ratio, such calculation shall give pro forma effect to any Acquisition and the creation or assumption of Indebtedness related to such Acquisition as if such Acquisition had occurred (with any such Indebtedness being deemed to be amortized over the applicable testing period in accordance with its terms(each a "Specified Transaction") on the first day of the four consecutive fiscal quarters of Vista most recently ended for which financial statements are available. If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any swap agreement applicable to such Indebtedness if such swap agreement has a remaining term in excess of 12 months).

"Proceedings" shall have the meaning provided in Section 12.5(c).

"Process Agent" shall have the meaning provided in Section 12.5(a).

"Projections" shall have the meaning provided in Section 6.13.

"Property" shall mean any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

"Qualified Entity" shall mean any Lender (or, if such Lender acts through a branch, agency, the principal office of such Lender) that (a) is the effective beneficiary of the payments made hereunder, (b) meets the requirements imposed by article 166-I, paragraph (a), Section (2) (or any other successor provision) of the Mexican Income Tax Law (Ley del Impuesto Sobre la Renta) and delivers to the Loan Parties the information described in Sections 3.18.19. and/or 3.18.20, as applicable, of the Resolución Miscelánea Fiscal para 2018 (Tax Resolution for 2018) (or any successor provisions), (c) is a resident for tax purposes of a country with which Mexico has entered into a treaty for the avoidance of double taxation that is in effect and (d) meets the requirements set forth in such treaty to apply the benefits for provided therein.

"Rate Determination Notice" shall have the meaning provided in Section 2.11(a).

"Real Property" of any Person shall mean all the right, title and interest of such Person in and to land, mining rights, improvements and fixtures, including Leaseholds.

"Recipient" shall mean the Agent, any Joint Lead Arranger, any Lender or any other recipient of any payment to be made by or on account of any obligation of ay Loan Party hereunder.

"Register" shall have the meaning provided in Section 12.3(c).

"Regulation D" shall mean Regulation D of the Board of Governors of the Federal Reserve System as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Regulation U" shall mean Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Regulation X" shall mean Regulation X of the Board of Governors of the Federal Reserve System as from time to time in effect and all official rulings and interpretations thereunder or thereof.

"Reinvested" shall mean the use (or a binding commitment in respect thereof entered into) of any Net Available Proceeds from any Asset Disposition or any Casualty Event to (x) acquire assets within Vista's or any of its Restricted Subsidiaries' line of business, (y) replace or restore any properties or assets in respect of which such Net Available Proceeds were paid and/or (z) to invest in any existing assets of Vista or any of Vista's Restricted Subsidiaries (including, without limitation any exploratory or development wells or fields), within (i) in the case of any Casualty Event or Asset Disposition (other than a Permitted Midstream Disposition Transaction), 365 days and (ii) in the case of any Permitted Midstream Disposition Transaction, (a) 18 months with respect to 75% of the Net Available Proceeds of such Permitted Midstream Disposition Transaction and (b) 24 months with respect to 100% of the Net Available Proceeds of such Permitted Midstream Disposition Transaction following the date of the receipt of such Net Available Proceeds, in each of clauses (i) and (ii), so long as no Default or Event of Default exists at the time such Net Available Proceeds are received. For the avoidance of doubt, the definition of "Reinvested" shall not include any Investment in exploratory wells or fields not owned by Vista or any of its Restricted Subsidiaries at the time of the Investment.

"Related Parties" shall mean, with respect to any Person, such Person's Affiliates and such Person's and such Person's Affiliates' respective partners, directors, officers, employees, agents and advisors.

"Release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing or migration into the environment, including the abandonment or discarding of barrels, containers and other closed receptacles containing any Hazardous Materials.

"Removal Effective Date" shall have the meaning provided in Section 10.6.

"Repayment Date" shall mean the meaning provided in the definition of "Reset Date" in Section 1.1.

"Required Lenders" shall mean, at any time, (i) on or after the Amendment No. 3 Effective Date until (but excluding) the Repayment Date, the Lenders holding more than 60% of the aggregate principal amount of the outstanding Loans and unused Commitments at such time and (ii) on or after the Repayment Date, Lenders holding more than 50% of the aggregate principal amount of the outstanding Loans and unused Commitments at such time. The outstanding Loans and unused Commitments of any Defaulting Lender shall be disregarded in determining Required Lenders at any time.

"Required Payment" shall have the meaning provided in Section 4.11.

"Reset Date" shall mean the earlier of the date on which (a) (i) all outstanding obligations under the Peso Credit Agreement shall have been paid in full and (ii) the Borrower shall have paid the Deferred Principal Amount in full (the date on which (i) and (ii) shall have occurred, the "Repayment Date"), (b) on or after September 30, 2021 (and before December 31, 2021), for two consecutive fiscal quarters (for the avoidance of doubt, the first of such consecutive fiscal quarters shall be the fiscal quarter ended June 30, 2021), the Interim Consolidated Leverage Ratio is not greater than 2.25:1.00 and (c) (i) on or after December 31, 2021, for two (2) consecutive fiscal quarters, the Interim Consolidated Leverage

Ratio is not greater than 2.50:1.00, (ii) the Borrower shall have paid in full the installment due on January 20, 2022 and at least fifty percent (50%) of the amount of the installment due on July 20, 2022 under the Peso Credit Agreement and (iii) the Borrower shall have paid in full the Deferred Principal Amount due on January 20, 2022 and at least fifty percent (50%) of the Deferred Principal Amount due on July 20, 2022; provided, that in each of the cases of clauses (a), (b) and (c) above, the Reset Date shall only occur if the Loan Parties would be in compliance as of such date with Sections 8.10(a) and 8.10(b) without giving effect to Section 4(e) and, in the case of clauses (a) and (c) above, the Borrower shall have delivered to the Administrative Agent a certificate of an officer of the Borrower certifying that the payments required in such clauses have been made; provided, further that the Reset Date shall occur on January 31, 2023 if it has not occurred earlier.

"Restricted Subsidiary" shall mean any Subsidiary of Vista other than an Unrestricted Subsidiary.

"Restricting Information" shall have the meaning provided in Section 11.4(a).

"Sanctioned Jurisdiction" shall mean any country or territory that is the subject of comprehensive Sanctions broadly restricting or prohibiting dealings with, in or involving such country or territory (currently Iran, Cuba, Syria, North Korea and the Crimea region of the Ukraine).

"Sanctioned Person" shall mean any individual or entity (a) identified on a Sanctions List, (b) organized, domiciled or resident in a Sanctioned Jurisdiction, or (c) otherwise is the subject or target of any Sanctions, including any entity that is at least fifty percent (50%) or more owned or that is controlled by one or more individuals or entities described in the foregoing clauses (a) or (b).

"Sanctions" shall mean any economic or financial sanctions or trade embargoes imposed, administered or enforced by (a) the United States (including OFAC, United States Department of State, and the United States Department of Commerce), (b) the United Nations Security Council, (c) the European Union or any European Union member state, (d) the United Kingdom (including Her Majesty's Treasury) or (e) Argentina.

"Sanctions List" shall mean any list of designated individuals or entities that are subject of Sanctions, including, without limitation: (a) the Specially Designated Nationals and Blocked Persons List maintained by OFAC, (b) the Consolidated United Nation Security Council Sanctions List, (c) the consolidated list of persons, groups and entities subject to EU financial sanctions maintained by the European Union and (d) the Consolidated List of Financial Sanctions Targets in the UK maintained by Her Majesty's Treasury of the United Kingdom.

"Scheduled Unavailability Date" shall have the meaning provided in Section 2.11(b)(ii).

"Solvent" shall mean, with respect to any Person at any time, that (a) the fair value of the assets of such Person and its Subsidiaries on a consolidated basis is greater than the amount that will be required to pay the total liability on existing debts as they become absolute and matured, (b) the present fair saleable value of the assets of such Person and its Subsidiaries on a consolidated basis is not less than the amount that will be required to pay the probable liability on existing debts of such Person and its Subsidiaries as they become absolute and matured, (c) such Person and its Subsidiaries on a consolidated basis are able to pay their debts or other obligations as they generally become absolute and matured and (d) (i) such Person is not insolvent pursuant to Article 2166 of the Mexican Federal Civil Code or Article 78 of Law 25.522 of Argentina as applicable for a Person incorporated in any of these jurisdictions or (ii) does not meet the requirements to be declared in *concurso mercantil* in accordance with Articles 9, 10 and 11 of Mexico's *Ley de Concursos Mercantiles* or Article 78 of Law 25.522 of Argentina as applicable for a Person incorporated in any of these jurisdictions.

"Specified Currency" shall have the meaning provided in Section 12.6(a).

"Specified Transaction" shall have the meaning provided in Section 1.1 in the definition of Pro Forma Basis.

"Stated Maturity Date" shall mean, with respect to each instrument evidencing Indebtedness for borrowed money, the maturity date for such instrument.

"Subsidiary" of a Person shall mean any corporation or other legal entity in which such Person, directly or indirectly, in the aggregate and without duplication, owns more than 50% of the outstanding Capital Stock or has the power to elect a majority of the board of directors or similar governing body.

"Substitute Basis" shall have the meaning provided in Section 2.11(a).

"Taxes" shall mean all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Test Period" shall mean, with respect to each date of determination, the period of four consecutive fiscal quarters then most recently ended, in each case taken as one accounting period; provided, that the definition of Test Period for the first two Test Periods occurring after the Effective Date shall be further modified as set forth in the definition of "Consolidated EBITDA".

"Type" shall refer to the distinction between the Floating Rate Loans and the Fixed Rate Loans.

"United States" and "U.S." shall each mean the United States of America.

"Unrestricted Equity Proceeds" shall mean the proceeds of any equity contribution to a Loan Party or any Restricted Subsidiary by any Person other than a Loan Party or a Restricted Subsidiary.

"Unrestricted Proceeds" shall mean, as of any date of determination, (i) the sum of (A) Unrestricted Equity Proceeds for which the Administrative Agent has received a certificate pursuant to Section 7.1(f)(i) and (B) the Annual Permitted Net Income Restricted Payment Amount (less the amount of any Restricted Payments made by Vista in accordance with Section 8.6(a)(iii)), minus (ii) the sum of any (A) Investments made after the Effective Date by any Loan Party or Restricted Subsidiary in any Person other than a Loan Party or Restricted Subsidiary pursuant to Section 8.4(c) and (B) repayments made after the Effective Date by any Loan Party or any Restricted Subsidiary to any Person other than any Loan Party or any Restricted Subsidiary of any Deeply Subordinated Indebtedness pursuant to Section 8.6(c).

"Unrestricted Subsidiary" shall mean any direct Subsidiary of Vista, Vista Holding I, Vista Oil & Gas Holding II, S.A. de C.V. or any other Subsidiary organized under the laws of Mexico created after the Effective Date (i)(x) that is created with, and capitalized only from any of the following: Unrestricted Proceeds, permitted Investments pursuant to Section 8.4(o)(i) or Investments by any Person other than a Loan Party or a Restricted Subsidiary, (y) that is primarily engaged in the Permitted Business

and (z) that satisfies the Argentine Separate Entity Conditions and (ii) for which no Loan Party or any Restricted Subsidiary will at any time (x) provide credit support, subject any of its property or assets (other than the Capital Stock of such Unrestricted Subsidiary) to the satisfaction of, or Guarantee, any Indebtedness or other obligations of such Subsidiary (including any undertaking, agreement or instrument evidencing such Indebtedness or other obligations) or (y) be directly or indirectly liable for any Indebtedness or other obligations of such Subsidiary.

"USA PATRIOT Act" shall mean the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56, 115 Stat. 272, of the United States.

"Use of Proceeds Transaction" shall mean that certain transaction or series of related transactions through which (i) the Borrower shall purchase from Vista Holding I and Vista Holding I shall sell to the Borrower that certain APCO Sub-Loan Agreement, together with any payments, repayments or distributions made pursuant to the terms of the APCO Sub-Loan Agreement, (ii) the Borrower shall return the capital contribution made by Vista Holding I to the Borrower in connection with the devolution of the *aporte irrevocable* and (iii) Vista shall partially capitalize the contribution (*aportación para futuros aumentos*) it previously made to Vista Holding I and Vista Holding I shall return the difference between such amounts to Vista.

"Vista" shall mean Vista Oil & Gas, S.A.B. de C.V., a *sociedad anónima de capital variable.*

"Vista Holding I" shall mean Vista Oil & Gas Holding I, S.A. de C.V., a *sociedad anónima de capital variable* organized under the laws of Mexico.

"Vista Holding II" shall mean Vista Oil & Gas Holding II, S.A. de C.V., a *sociedad anónima de capital variable* organized under the laws of Mexico.

"Withholding Agent" shall mean the Borrower.

"Write-Down and Conversion Powers" shall mean, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

1.1A Reset Date Defined Terms. Notwithstanding any of the foregoing, from the Amendment No. 3 Effective Date until the Reset Date, the following terms shall have the following meanings:

"Interim Consolidated Leverage Ratio" shall mean, for any date of determination, the ratio of (a) the Consolidated Total Debt as of such date to (b) the Interim Consolidated EBITDA for the two (2) consecutive fiscal quarters ending on such date (or if such date is not the last day of a fiscal quarter, ended on the last day of the fiscal quarter most recently ended).

"Interim Consolidated EBITDA" shall mean, for any two consecutive fiscal quarters, the Consolidated EBITDA of Vista and its Restricted Subsidiaries for such two fiscal quarters multiplied by a factor of 2.

"Permitted Refinancing Indebtedness" shall mean any Indebtedness incurred or issued by Vista or any of its Subsidiaries to refinance all or part of (a) any Indebtedness outstanding under the Credit

Agreement or the Peso Loan Agreement, (b) any Indebtedness of the Borrower permitted by this Agreement incurred under bilateral credit facilities with commercial banks outstanding on the date hereof or any further refinancing thereof, (c) any Indebtedness under the July 2021 Notes or (d) any Indebtedness incurred by the Borrower under the Credit Agreement after giving effect to Amendment No. 3; provided that (i) the terms of any such refinancing Indebtedness reflect market terms for the relevant obligor(s); (ii) only with respect to any refinancing Indebtedness incurred or issued to refinance the Indebtedness set forth in (A) clause (b) above if such refinancing Indebtedness is in the form of bonds (*obligaciones negociables)* issued under Argentine law or (B) clause (c) above, such refinancing Indebtedness has a final maturity date not earlier than January 20, 2023; (iii) only with respect to any refinancing Indebtedness incurred or issued to refinance the Indebtedness set forth in clause (a) above, such refinancing Indebtedness has a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being refinanced; (iv) the principal amount of such refinancing Indebtedness does not exceed the principal amount of Indebtedness being refinanced or is used exclusively to refinance scheduled principal payments up to the amount of the scheduled principal payments being refinanced, in each case plus all accrued and unpaid interest thereon and such costs and expenses incurred in connection therewith (including any breakage costs associated with the Indebtedness so refinanced); (v) any collateral securing such Permitted Refinancing Indebtedness shall not be more than the collateral securing the Indebtedness being refinanced; (vi) no Event of Default or Default exists or would exist after giving effect the incurrence or issuance of such refinancing Indebtedness; and (vii) (x) to the extent such refinancing Indebtedness is received from commercial banks, the proceeds of any such refinancing Indebtedness are applied to refinance Indebtedness within five (5) Business Days of receipt thereof or (y) to the extent such refinancing Indebtedness is in the form of bonds, (A) the proceeds of any such refinancing Indebtedness are applied to refinance Indebtedness within forty (40) Business Days of receipt thereof, or (B) if such proceeds are to be applied on a date that is beyond forty (40) Business Days from receipt thereof, such proceeds shall be deposited in escrow in an account outside of Argentina pledged to the benefit of Citibank or any of its permitted assignees (as Lender under the Credit Agreement) and the lenders under the Peso Credit Agreement as security for the payment by the Borrower of its scheduled principal and interest payment obligations to Citibank or any of its permitted assignees (as Lender under the Credit Agreement) and the lenders under the Peso Credit Agreement; provided that if the proceeds are Pesos, the Borrower may elect to deposit the proceeds in escrow in a time deposit account or a mutual fund in Argentina (with such escrow and the related pledge governed by Argentine law) or to deposit the Dollar equivalent of such Pesos in escrow in an account outside of Argentina (with such escrow and the related pledge governed by the law of the state of New York); it being understood that such amounts held in escrow shall be released to the Borrower (and the pledge will be terminated) upon the earlier to occur of (x) five Business Days prior to the scheduled repayment date of the Indebtedness being refinanced and (y) the Reset Date.

"Weighted Average Life to Maturity" shall mean, as to any Indebtedness at any date of determination, the result of the division of (i) the sum of the total of the products obtained by multiplying (A) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal, including payment at final maturity, in respect of such Indebtedness (each, a "Principal Payment"), by (B) the number of years (calculated to the nearest one-twelfth) which will elapse between the date of determination and the date on which such Principal Payment is scheduled to be made; by (ii) the then outstanding aggregate principal amount of such Indebtedness.

1.2 Principles of Construction. Each reference to, and the definition of, any document (including any Credit Document) shall be deemed to refer to such document as it may be amended, supplemented, revised or modified from time to time in accordance with its terms and, to the extent applicable, the terms of this Agreement.

(a) Each reference to a Law or Governmental Approval shall be deemed to refer to such Law or Governmental Approval as the same may be amended, supplemented or otherwise modified from time to time.

(b) Any reference to a Person in any capacity includes a reference to its permitted successors and assigns in such capacity and, in the case of any Governmental Authority, any Person succeeding to any of its functions and capacities.

(c) References to days shall refer to calendar days unless Business Days are specified; references to weeks, months or years shall be to calendar weeks, months or years, respectively.

(d) All references to a "Section," "Schedule," "Appendix," "Annex," or "Exhibit" are to a Section of this Agreement or to a Schedule, Appendix, Annex or Exhibit attached hereto.

(e) The table of contents and Section headings and other captions therein are for the purpose of reference only and do not affect the interpretation of this Agreement.

(f) Defined terms in the singular shall include the plural and vice versa. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

(g) The words "hereof", "herein" and "hereunder", and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(h) The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(i) The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation".

(j) Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with Applicable GAAP.

1.3 Pro Forma Calculations. With respect to any period during which any Specified Transaction occurs, for purposes of determining compliance with the covenants contained in Section 8.10 or otherwise for purposes of determining the Consolidated Interest Coverage Ratio or the Consolidated Total Debt to Consolidated EBITDA Ratio calculations with respect to such period shall be made on a Pro Forma Basis; provided that, prior to the earlier of (i) the date on which the financial statements for the fiscal quarter ended September 30, 2018 are delivered to the Administrative Agent pursuant to Section 7.1(b) and (ii) the date on which the financial statements for the fiscal quarter ended September 30, 2018 which are required to be delivered to the Administrative Agent pursuant to Section 7.1(b) become available (such period the "Initial Testing Period"), each of the ratios in this Section 1.3 shall be calculated by reference to the financial results of the Loan Parties for the fiscal quarter ended June 30, 2018; provided further that during this Initial Testing Period, the Consolidated EBITDA shall be deemed to be an amount equal to four (4) times the Consolidated EBITDA of Vista for the quarter ended June 30, 2018, prior to adjusting such Consolidated EBITDA on a Pro Forma Basis.

Section 2. Amount and Terms of Credit.

2.1 The Facility.

(a) Each Floating Rate Lender severally agrees, on and subject to the terms and conditions of this Agreement, to make during the Availability Period one term loan to the Borrower (each, a "Floating Rate Loan", and collectively, the "Floating Rate Loans") on the Disbursement Date, in Dollars in an aggregate principal amount up to but not exceeding such Floating Rate Lender's Floating Rate Loan Commitment and, as to all Floating Rate Lenders, in an aggregate principal amount up to but not exceeding $150 million.

(b) Each Fixed Rate Lender severally agrees, on and subject to the terms and conditions of this Agreement, to make during the Availability Period one term loan to the Borrower (each, a "Fixed Rate Loan", and collectively, the "Fixed Rate Loans") on the Disbursement Date, in Dollars in an aggregate principal amount up to but not exceeding such Fixed Rate Lender's Fixed Rate Loan Commitment and, as to all Fixed Rate Lenders, in an aggregate principal amount up to but not exceeding $ 150 million.

(c) Amounts repaid or prepaid with respect to the Loans may not be reborrowed.

2.2 Notice of Borrowing. During the Availability Period, whenever the Borrower desires to make a Borrowing hereunder, it shall give the Administrative Agent a duly completed and irrevocable notice of a Borrowing in substantially the form of Exhibit A (the "Notice of Borrowing") prior to 11:00 a.m. (New York time) at least two (2) Business Days prior to the requested Disbursement Date (or such shorter period as the Administrative Agent may agree to in its discretion), requesting the Borrowing and specifying the requested Disbursement Date, the aggregate principal amount of the Loans to be made on such date. The Borrowing shall be in a principal amount of $300,000,000 and shall be made *pro rata* among the Fixed Rate Loans and the Floating Rate Loans. Not later than 11:00 a.m. (New York time) on the Disbursement Date, each Lender shall make available the amount of the Loans to be made by such Lender on the Disbursement Date to the Administrative Agent, at the Administrative Account, in immediately available funds, for the account of the Borrower pursuant to the Notice of Borrowing. The amounts so received by the Administrative Agent shall, subject to the terms and conditions of this Agreement, be remitted by the Administrative Agent as provided for and instructed by the Borrower to the Administrative Agent in the applicable Notice of Borrowing.

2.3 Several Obligations; Certain Remedies Independent. The failure of any Lender to make its Loans on the Disbursement Date shall not relieve any other Lender of its obligation to make its Loans on such date, and neither any Lender nor the Agent shall be responsible for the failure of any other Lender to make its Loans to be made by such other Lender on such date, and (except as otherwise provided in Section 4.12) no Lender shall have any obligation to the Agent or any other Lender for the failure by such Lender to make its Loans required to be made by such Lender on such date. The amounts payable by the Borrower at any time hereunder to each Lender shall be a separate and independent debt, and except for exercising the remedies (including acceleration of the Loans) set forth in the final paragraph of Section 9, each Lender shall be entitled to protect and enforce its individual rights arising out of this Agreement independently of any other Lender, and it shall not be necessary for any other Lender or the Agent to consent to, or be joined as an additional party in, any proceedings to recover the payment of any overdue amounts.

2.4 Autonomous Promise of Debt.

(a) The Borrower agrees that, to evidence its obligation to repay each Loan made hereunder, with interest accrued thereon, it shall execute and deliver, and cause each Argentine Guarantor,

if any, to execute and deliver, to each Lender an offer of Autonomous Promise of Debt in the form of Exhibit B, each such Autonomous Promise of Debt being in the principal amount of the Fixed Rate Loan or Floating Rate Loan, as applicable, to be made by each Lender on the Disbursement Date and the validity of which shall be subject to the written acceptance by each Lender the form of Annex I to Exhibit B hereto (the "Autonomous Promise of Debt"). The amount evidenced by each Autonomous Promise of Debt shall, to the extent not inconsistent with the notations made by the Administrative Agent in the Register, be prima facie evidence of the applicable Indebtedness of the Borrower absent manifest error. An Autonomous Promise of Debt and the obligation evidenced thereby may be assigned or otherwise transferred, in whole, only in accordance with Section 12.3. In addition, the Borrower hereby agrees and covenants that it will execute and deliver, and cause each Argentine Guarantor, if any, to execute and deliver, any replacement or amended Autonomous Promise of Debt by means of an offer to be accepted by the respective Lender or permitted assignee thereof, and take all further action that may, in the reasonable judgment of the Administrative Agent or the Required Lenders, be necessary in order to (i) ensure that the Autonomous Promise of Debt duly reflect the terms of this Agreement or (ii) reflect any assignment of the Loans in accordance with Section 12.3, in each case, as the Administrative Agent or the Required Lenders may reasonably request in writing from time to time. Upon the receipt of the acceptance of an Offer of Autonomous Promise of Debt, the Borrower shall, and shall cause each Argentine Guarantor, if any, to promptly execute an Acknowledgement of Acceptance in the form of Exhibit C hereto, certified by a notary public (the "Acknowledgment of Acceptance"). The Parties hereby agree that, for any new Autonomous Promise of Debt executed and delivered by the Borrower, each Lender shall return to the Borrower the existing Autonomous Promise of Debt executed by the Borrower or an Argentine Guarantor, if any, in its possession marked "Cancelled" ("*Cancelado*").

(b) If any amount hereunder or under any Autonomous Promise of Debt is not paid by the Borrower, any Argentine Guarantor, if any, when due (whether at the stated maturity, by acceleration or otherwise), the Administrative Agent or any Lender may take all such actions as it sees fit to recover such amount, including the commencement and maintenance of proceedings in the State of New York, United States of America or in Argentina in respect of its Autonomous Promise of Debt, or simultaneous commencement and maintenance of proceedings in the State of New York, United States of America and in Argentina in respect of its Autonomous Promise of Debt as the Administrative Agent or such Lender in its sole discretion shall determine. The payment of any part of the principal of any such Autonomous Promise of Debt shall discharge the obligation of the Borrower and each Argentine Guarantor, if any, to pay principal of the Loan evidenced by such Autonomous Promise of Debt *pro tanto*, and the payment of any principal of a Loan in accordance with the terms hereof shall discharge the obligations of the Borrower and each Argentine Guarantor under the Autonomous Promise of Debt evidencing such Loan *pro tanto*. Notwithstanding the discharge in full of any Autonomous Promise of Debt, if the amount paid or payable under any such Autonomous Promise of Debt (whether arising from the enforcement thereof in Argentina or otherwise), (A) is less than the amount due and payable in accordance with this Agreement with respect to the Loan evidenced by such Autonomous Promise of Debt, the Borrower agrees to pay to the Administrative Agent promptly after its receipt of written demand such difference, and (B) exceeds the amount due and payable in accordance with this Agreement with respect to the Loan evidenced by such Autonomous Promise of Debt, each Lender that has received any amounts under such Autonomous Promise of Debt in excess of the amounts due to such Lender hereunder agrees to pay such excess to the Borrower promptly after its receipt of written demand. Upon discharge of all obligations of the Borrower under the Loans evidenced by any Autonomous Promise of Debt, the Lender holding any such Autonomous Promise of Debt shall cancel such Autonomous Promise of Debt and promptly return it or them to the Borrower.

(c) Neither the execution, delivery or participation of any Autonomous Promise of Debt, or the commencement of any judicial enforcement proceeding or exercise of any other right or remedy in connection with any Autonomous Promise of Debt, nor the total or partial collection of any Autonomous Promise of Debt shall be deemed to be a waiver of any right of any Lender under, or an amendment of any

term or condition of, this Agreement or any other Credit Document, including with respect to the governing law thereof; provided that each Lender agrees that it shall only commence a judicial enforcement proceeding or exercise any other right or remedy in connection with its Autonomous Promise of Debt solely to the extent of amounts then due and payable to such Lender in accordance with this Agreement. The rights and claims of any Lender under any Autonomous Promise of Debt shall not replace or supersede any rights and claims of such Lender under this Agreement and the other Credit Documents; provided that the payment of any part of the principal of, and interest on and other amounts in respect of, any Autonomous Promise of Debt in accordance with the terms of this Agreement shall, to the extent that such payment would discharge the Borrower's Obligations under this Agreement, discharge the obligation of the Borrower under this Agreement and each Argentine Guarantor, if any, to pay such amounts paid of principal of the Loan, and interest thereon and other amounts related thereto, evidenced by such Autonomous Promise of Debt, *pro tanto*, and the payment of any principal of a Loan, and interest thereon and other amounts related thereto, in accordance with the terms hereof shall discharge the obligations of the Borrower and each Argentine Guarantor, if any, under the Autonomous Promise of Debt evidencing such amounts *pro tanto*, to the extent that such payment would discharge the Borrower's and each Argentine Guarantor's Obligations under this Agreement and obligations under the Guaranty.

(d) Upon repayment in full of all Obligations of the Borrower evidenced by any Autonomous Promise of Debt, the Lender holding such Autonomous Promise of Debt shall cancel such Autonomous Promise of Debt and promptly return it to the Borrower.

2.5 Use of Proceeds. The Borrower shall use the proceeds of the Loans in accordance with Section 7.11. None of the Agent, the Joint Lead Arrangers or Lenders shall have any responsibility as to the use of any of such proceeds.

2.6 Termination.

(a) Any undrawn amounts of the Loan Commitments will be automatically reduced to zero on the Disbursement Date after giving effect to the Borrowing of the Loans made on the Disbursement Date.

(b) Unless previously terminated, the Loan Commitments shall terminate automatically at the end of the Availability Period.

(c) The Commitments once reduced or terminated may not be reinstated.

2.7 Interest.

(a) Subject to Sections 2.7(b) and 2.11, the Borrower agrees to pay to the Administrative Agent for the account of each Lender interest in respect of the unpaid principal amount of each Loan of such Lender from the Disbursement Date until the payment in full thereof which, (i) for the Floating Rate Loans, shall be equal to the sum of, for each day during each Interest Period applicable thereto, (x) LIBOR for such Interest Period plus (y) the Applicable Margin and (ii) for the Fixed Rate Loans, an interest rate per annum equal at all times during each Interest Period to 8.00%, in each case payable on the last day of each Interest Period and on the Maturity Date.

(b) Notwithstanding the foregoing, upon the occurrence and during the continuance of any Event of Default, principal and, to the extent permitted by Law, overdue interest in respect of the Loans and any other overdue amount payable by the Borrower hereunder or under any other Credit Document shall bear interest at a rate which is equal to (i) the rate otherwise applicable to such Loan as provided in Section 2.7(a) above, plus (ii) 2.0% *per annum* (which interest shall be payable on demand).

(c) Except as provided in Section 2.7(b), accrued (and theretofore unpaid) interest shall be payable in arrears in respect of the Loans (i) on the last day of each Interest Period applicable thereto, (ii) on the amount of the Loans repaid or prepaid, upon such repayment or prepayment, (iii) at any maturity (whether by acceleration or otherwise), and (iv) after such maturity, on demand.

(d) On each Interest Determination Date for the Floating Rate Loan, the Administrative Agent shall determine the applicable LIBOR and shall give notice thereof to the Lenders and to the Borrower. Each such determination shall, absent manifest error, be conclusive and binding on all parties hereto.

2.8 Illegality.

(a) If any Change in Law has made it unlawful, or any central bank or other Governmental Authority has asserted that it is unlawful, for such Lender or its Lending Office to make or maintain any of its Loans (and the designation of a different Lending Office would not avoid such unlawfulness), then such Lender shall promptly notify the Borrower thereof (with a copy to the Administrative Agent) and on notice thereof by such Lender to the Borrower, (i) such Lender's Commitment shall be suspended until such time as such Lender notifies the Borrower that the circumstances giving rise to such determination no longer exist and (ii) to the extent necessary to comply with such Change in Law, such Lender's affected Loans shall be prepaid by the Borrower, together with accrued and unpaid interest thereon and all other amounts payable to such Lender by the Borrower under this Agreement on or before such date as shall be mandated by Change in Law (which payment shall include any additional amounts accrued prior to such prepayment).

(b) If any Floating Rate Lender determines that it is unlawful to maintain a LIBOR Loan at a LIBO Rate, upon the Borrower's receipt of notice of such fact and demand from such Floating Rate Lender, in lieu of an interest rate determined in accordance with Section 2.7, the interest rate payable in respect of such Floating Rate Loan shall automatically convert on the last day of the Interest Period in respect of such Floating Rate Loan to the sum of the Base Rate in effect from time to time plus the Applicable Margin *per annum* less 1% (payable on the last day of the Interest Period in respect of such Floating Rate Loan and on the last day of each subsequent Interest Period thereafter; provided, however, that upon the occurrence and during the continuance of an Event of Default, such interest (i) shall be the sum of the Base Rate in effect from time to time plus the Applicable Margin plus 1% *per annum* and (ii) shall be payable on demand), either on the last day of the Interest Period in respect of such Floating Rate Loan, if such Floating Rate Lender may lawfully continue to maintain such Floating Rate Loan to such day, or immediately, if such Floating Rate Lender may not lawfully continue to maintain such Floating Rate Loan.

2.9 Increased Costs and Reduction of Return.

(a) If any Lender shall have determined at any time that it shall incur increased costs or reductions in the amounts received or receivable under this Agreement, its Loans, or its Commitment with respect to its Loan, or that any Recipient shall be subjected to any Taxes (other than any increased cost or reduction in the amount received or receivable resulting from (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (f) of the definition of "Excluded Taxes" and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, other obligations, deposits, reserves, other liabilities or capital, in each case, arising under this Agreement and, in each case, attributable to or because of any Change in Law and/or other circumstances affecting such Lender or the relevant interbank market or the position of such Lender in such market, then, and in any such event, the Borrower shall promptly pay to such Lender, upon demand therefor, such additional amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Lender in its sole discretion shall determine) as shall be required to compensate such Lender for such increased costs or reductions in amounts received or receivable under this Agreement.

(b) If any Lender shall have determined that (i) the introduction of any Capital Adequacy Regulation, (ii) any change in any Capital Adequacy Regulation, (iii) any change in the interpretation or administration of any Capital Adequacy Regulation by any central bank or other Governmental Authority charged with the interpretation or administration thereof (whether or not having the force of law) or (iv) compliance by such Lender (or its Lending Office) or any Person Controlling such Lender with any Capital Adequacy Regulation, affects or would affect the amount of capital or liquidity required or expected to be maintained by such Lender or any Person Controlling such Lender and (taking into consideration such Lender's or such Person's policies with respect to capital adequacy and liquidity and such Lender's desired return on capital) and if such Lender shall have determined that the amount of such capital or liquidity is increased as a consequence of its Loan, credits or obligations under this Agreement, then, promptly upon demand of such Lender to the Borrower in accordance with clause (c), the Borrower shall pay to such Lender, from time to time as specified by such Lender, additional amounts sufficient to compensate such Lender for such increase.

(c) Each Lender will promptly notify the Borrower of any event of which it has knowledge, occurring after the date hereof, which will entitle such Lender to compensation pursuant to this Section 2.9. Such Lender or the Administrative Agent, as applicable, shall deliver to the Borrower a certificate setting forth in reasonable detail the basis for determining the amount that such Lender is entitled to receive pursuant to this Section 2.9, which determination shall be conclusive and binding on the Borrower in the absence of manifest error.

(d) Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

2.10 Break Funding. The Borrower shall pay to the Administrative Agent for the account of each Floating Rate Lender, within ten (10) days after the request in writing and delivery of the certificate set forth below by such Floating Rate Lender, such amount or amounts (if any) as shall be sufficient to compensate it for any loss, cost or expense (excluding the loss of any anticipated profit) including any such loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain its Floating Loans or from fees payable to terminate the deposits from which such funds were obtained that is attributable to:

(a) the failure of the Borrower to make on a timely basis any payment of principal of the Loans;

(b) the failure of the Borrower to borrow any LIBOR Loan after the Borrower has given a Notice of Borrowing;

(c) the failure of the Borrower to make any prepayment of any LIBOR Loan in accordance with any notice delivered under Section 4.2 or Section 4.3; or

(d) any prepayment or repayment (including pursuant to Section 4.1, 4.2 or 4.3); provided that the Borrower shall use commercially reasonable efforts to mitigate any such cost or expense attributable to a prepayment contemplated by Section 4.3 or other payment of any Loan on a day that is not the last day of the relevant Interest Period.

Each Floating Rate Lender will furnish to the Borrower and the Administrative Agent a certificate setting forth in reasonable detail the basis and amount of each request by such Floating Rate Lender for compensation under this Section 2.10, which certificate shall be conclusive and binding on the Borrower and the Administrative Agent in the absence of manifest error.

2.11 Inability to Determine Rates. If, on or prior to the first day of any Interest Period (an "Affected Interest Period"):

(a) (i) the Administrative Agent determines that, by reason of circumstances affecting the London interbank Eurodollar market, "LIBOR" cannot be determined pursuant to the definitions thereof; or

(ii) the Floating Rate Lenders holding a majority of the outstanding Floating Rate Loans and Floating Rate Loan Commitments reasonably determine and notify the Administrative Agent that the relevant rates of interest referred to in the definition of "LIBOR" in Section 1.1 upon the basis of which the rate of interest for Loans for such Affected Interest Period is to be determined will not be adequate to cover the cost to each such Lender of making or maintaining their *pro rata* share of the Loans for such Affected Interest Period (each, an "Affected Lender" and together the "Affected Lenders"), it being understood that the Administrative Agent shall have no obligation or responsibility to investigate or inquire into the reasonableness of any determination of the Required Lenders and is fully protected in acting upon any notice delivered pursuant to this Section 2.11(a)(ii);

the Administrative Agent shall give notice thereof (a "Rate Determination Notice") to the Borrower and the Floating Rate Lenders as soon as practicable thereafter. If such notice is given, during the 30-day period following such Rate Determination Notice (the "Negotiation Period"), the Affected Lenders and the Borrower shall negotiate in good faith with a view to agreeing upon a substitute interest rate basis for their *pro rata* share of the Loans that shall reflect the cost to the Affected Lenders of funding their *pro rata* share of the Loans from alternative sources (a "Substitute Basis"), and if such Substitute Basis is so agreed upon during the Negotiation Period, upon notice to the Administrative Agent of such Substitute Basis, such Substitute Basis shall apply with respect to the *pro rata* share of the LIBOR Loans of an Affected Lender in lieu of LIBOR to all Interest Periods commencing on or after the first day of the Affected Interest Period, until the circumstances giving rise to such notice have ceased to apply in which case, the Affected Lenders shall notify the Administrative Agent that such Substitute Basis should no longer apply in lieu of LIBOR. If a Substitute Basis is not agreed upon during the Negotiation Period, the Borrower may elect to prepay the Affected Lenders' *pro rata* share of the LIBOR Loans pursuant to Section 4.2; provided, however, that if the Borrower does not elect so to prepay, each Affected Lender shall reasonably determine (and shall certify from time to time in a certificate delivered by such Lender to the Administrative Agent setting forth in reasonable detail the basis of the computation of such amount) the per annum rate basis reflecting the cost to such Affected Lender of funding its *pro rata* share of the LIBOR Loans for the Interest Period commencing on or after the first day of the Affected Interest Period, until the circumstances giving rise to such notice have ceased to apply, in which case, the Affected Lenders shall notify the Administrative Agent that such Substitute Basis should no longer apply in lieu of LIBOR, and such rate basis shall be binding upon the Borrower and such Lender and shall apply in lieu of LIBOR for the relevant Interest Period.

(b) (i) the Floating Rate Lenders holding a majority of the aggregate principal amount of the outstanding Floating Rate Loans and unused Floating Rate Commitments (the "Floating Rate Required Lenders") determine that adequate and reasonable means do not exist for ascertaining LIBOR for any requested Interest Period and such circumstances are unlikely to be temporary; or

(ii) the supervisor for the administrator of LIBOR or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which LIBOR shall no longer be made available, or used for determining the interest rate of loans (such specific date, the "Scheduled Unavailability Date");

the Administrative Agent and the Borrower may amend this Agreement to replace LIBOR with an alternate benchmark rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein), giving due consideration to any evolving or then existing market convention for similar U.S. dollar denominated syndicated credit facilities for such alternative benchmarks (any such proposed rate, a "LIBOR Successor Rate"), together with any proposed LIBOR Successor Rate conforming changes. Notwithstanding anything to the contrary in Section 12.9, such amendment shall become effective without any further action or consent of any other party to this Agreement. If no LIBOR Successor Rate has been determined and the circumstances under clause (i) above exist or the Scheduled Unavailability Date has occurred (as applicable), the Administrative Agent will promptly notify the Borrower and each Floating Rate Lender. Thereafter, and until a LIBOR Successor Rate has been determined, any further Borrowings requested by the Borrower shall have an interest rate that is the sum of the Base Rate in effect from time to time plus the Applicable Margin *per annum.*

2.12 Defaulting Lenders.

(a) Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders".

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 9 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 4.14 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder; *second*, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement; *third*, if so determined by the Borrower, to be held in a deposit account and released *pro rata* in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.12(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Fees. No Defaulting Lender shall be entitled to receive any fees while such Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(b) Defaulting Lender Cure. If the Borrower agrees in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent (at the direction of the Borrower) will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans to be held *pro rata* by the Lenders in accordance with the Commitments under the applicable facility, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided further that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

Section 3. Fees. The Borrower agrees to pay the fees in such amounts and at such times as specified in the Fee Letter.

Section 4. Prepayments; Payments.

4.1 Scheduled Repayment. The Borrower agrees to repay to the Lenders in semi-annual installments (each a "Scheduled Repayment") commencing on the date occurring eighteen (18) months after the Disbursement Date as follows: (i) on the dates occurring eighteen (18) months and twenty-four (24) months after the Disbursement Date to be in an amount equal to 5% of the principal amount outstanding on the Disbursement Date and (ii) thereafter on each semi-annual anniversary of the Disbursement Date to be in equal installments (subject in each case to any adjustments applicable pursuant to Section 4.3(d)); provided that the final principal installment shall be repaid on the Maturity Date and in any event shall be in an amount equal to the aggregate principal amount of the Loans outstanding on such date; provided, further, notwithstanding the foregoing, that the scheduled principal installments to be paid to Citibank N.A. with respect to the Loans held by it shall be paid in accordance with the amortization schedule set forth in Schedule 4.1.

4.2 Voluntary Prepayments . The Borrower shall have the right to prepay the Loans, in whole or in part, at any time by giving the Administrative Agent at least three (3) Business Days' prior written notice of its intent to prepay the Loans, which notice shall specify the date of prepayment. Such prepayment shall be applied ratably to the Floating Rate Loans and the Fixed Rate Loans. Each prepayment made pursuant to this Section 4.2 shall be accompanied by (i) all interest accrued on the amount prepaid and (ii) all other amounts then due on, or with respect to, such portion of the Loans being prepaid, including any amounts owing under Section 2.10.

4.3 Mandatory Prepayments.

(a) Disposition of Assets. (i) In the event of any Asset Disposition by any Loan Party or any Restricted Subsidiary (other than as permitted by Section 8.3 (a), (b), (c), (d), (g), (i), (j) or (k) thereof), the Borrower shall, within 365 days following each date on which any Loan Party or any Restricted Subsidiary received any Net Available Proceeds from any Asset Disposition that are not otherwise Reinvested apply 100% of any such Net Available Proceeds towards the prepayment of the Loans; (ii) in the event of the consummation of any Permitted Midstream Disposition Transaction, the Borrower shall, (x) within 18 months following each date on which any Loan Party or any Restricted Subsidiary received

any Net Available Proceeds from any Permitted Midstream Disposition Transaction apply such Net Available Proceeds that are not Reinvested up to an amount equal to 75% of such Net Available Proceeds towards the prepayment of the Loans and (y) within 24 months following each date on which any Loan Party or any Restricted Subsidiary received any Net Available Proceeds from a Permitted Midstream Disposition Transaction apply such Net Available Proceeds that are not Reinvested or otherwise prepaid up to an amount equal to 100% of such Net Available Proceeds towards the prepayment of the Loans; and (iii) upon the occurrence of any Casualty Event with respect to any Property of Vista or any of its Restricted Subsidiaries, the Borrower shall, within 365 days following each date on which Vista or any of its Restricted Subsidiaries receive any Net Available Proceeds from any Recovery Event that are not Reinvested apply 100% of such Net Available Proceeds to the prepayment of the Loans.

(b) No later than three (3) Business Days prior to the occurrence of such proposed disposition or receipt of Vista or any of its Restricted Subsidiaries of any insurance proceeds from a Casualty Event, the Borrower will deliver to the Administrative Agent a certificate signed by an Authorized Officer of the Borrower in form and detail reasonably satisfactory to the Required Lenders, stating the expected amount of the Net Available Proceeds of such Casualty Event or Net Available Proceeds of such proposed Asset Disposition.

(c) Change of Control. In the event of the occurrence of any Change of Control, the Borrower shall repay or cause to be repaid the Loans within five (5) Business Days after the Borrower becomes aware (or should have become aware of) of the occurrence of such Change of Control but in any event within thirty (30) days of the occurrence of any Change of Control.

(d) The amount of each mandatory prepayment made pursuant to Section 4.2 and Sections 4.3(a) and (b) shall be applied, without premium or penalty, to reduce the amount of each Scheduled Repayment on a pro rata basis. Such prepayment shall be applied ratably to the Floating Rate Loans and the Fixed Rate Loans.

(e) Each prepayment made pursuant to this Section 4.3 shall be accompanied by (i) all interest accrued on the amount prepaid and (ii) all other amounts then due on, or with respect to, such portion of the Loans being prepaid, including any amounts owing under Section 2.10.

(f) Notwithstanding anything to the contrary in Section 4.3(a), so long as any Peso Loans are outstanding, the amount of each mandatory prepayment made pursuant to Section 4.3(a) shall be applied as follows: (i) if the Net Available Proceeds received by any Loan Party or Restricted Subsidiary are denominated in Pesos or in a currency other than Pesos and received in Argentina, *first*, to the prepayment of the Peso Loans until such loans have been paid in full and, *second*, to the prepayment of any Loans and (ii) if the Net Available Proceeds received by any Loan Party or Restricted Subsidiary are in a currency other than Pesos and received outside of Argentina, *first*, to the prepayment of the Loans until such Loans have been paid in full and, *second*, to the prepayment of the Peso Loans. The amount of each mandatory prepayment made pursuant to this Section 4.2(f) in respect of the Loans shall be applied, without premium or penalty, to reduce the amount of each Scheduled Repayment on a pro rata basis, and any such prepayment shall be applied ratably to the Floating Rate Loans and the Fixed Rate Loans.

4.3A. Reset Date Mandatory Prepayments. Notwithstanding any of the foregoing, the parties hereto agree that during the period from the Amendment No. 3 Effective Date until the Reset Date:

(a) Within five (5) Business Days of receipt by the Borrower or any of its Subsidiaries of any Net Cash Proceeds from the incurrence of any Indebtedness in the form of publicly registered or privately placed debt securities issued outside of Argentina and marketed to Persons outside of Argentina, the Borrower or such Subsidiary shall apply such Net Cash Proceeds to prepay the Loans. The amount of such prepayment shall be applied, without premium or penalty, to reduce the amount of each Scheduled Repayment on a pro rata basis.

(b) If the Borrower shall not have refinanced (i) prior to a Foreign Exchange Regulations Event or if the Foreign Exchange Regulations are no longer in full force and effect, at least $37,500,000 or (ii) following a Foreign Exchange Regulations Event and so long as such Foreign Exchange Regulations are in full force and effect, at least $30,000,000, in each case of the outstanding amounts under the July 2021 Notes on or before September 30, 2021 (the "Refinancing Deadline"), the Borrower shall prepay, within five (5) Business Days from the Refinancing Deadline, the amounts outstanding under the Peso Loans and the Deferred Principal Amount, in an aggregate principal amount equal to the July 2021 Prepayment Penalty Amount; provided that Citibank or any of its permitted assignees (as Lender under the Credit Agreement) shall be entitled to 10% of the July 2021 Prepayment Penalty Amount (payable in Dollars and as a result of such prepayment, the Deferred Principal Amounts shall be reduced, without premium or penalty, on a pro rata basis) and the lenders under the Peso Credit Agreement shall be entitled to 90% of the July 2021 Prepayment Penalty Amount (payable in Pesos at the official exchange rate and pro rata among such lenders); provided, however, that if the Borrower shall not have refinanced (i) prior to a Foreign Exchange Regulations Event or if the Foreign Exchange Regulations are no longer in full force and effect, at least $37,500,000 or (ii) following a Foreign Exchange Regulations Event and so long as such Foreign Exchange Regulations are in full force and effect, at least $30,000,000 of the outstanding amounts under the July 2021 Notes on or before July 31, 2021, the Borrower shall have deposited, within five (5) Business Days after July 31, 2021, in escrow in an account outside of Argentina pledged to the benefit of Citibank or any of its permitted assignees (as Lender under the Credit Agreement) and the lenders under the Peso Credit Agreement as security for the payment by the Borrower of the July 2021 Prepayment Penalty an amount equal to the July 2021 Prepayment Penalty; it being understood that such amounts held in escrow shall be released to the Borrower upon payment by the Borrower of the July 2021 Prepayment Penalty as set forth in this clause with other funds. If there is a difference between the July 2021 Prepayment Penalty Amount and the July 2021 Escrow Amount, such difference shall be delivered to Vista within five (5) Business Days from the Refinancing Deadline.

(c) Concurrently with the voluntary prepayment of all or any portion of the Peso Loans, the Borrower shall make a prepayment of the then outstanding Deferred Principal Amount in a percentage equal to the percentage represented by the amounts of the Peso Loans being prepaid divided by the sum of Peso Loans outstanding on the applicable prepayment date; provided that as a result of such prepayment, the Deferred Principal Amounts shall be reduced, without premium or penalty, on a pro rata basis.

(d) Within ten (10) Business Days of receipt by Vista of any Net Cash Proceeds from any sale or issuance of any equity interests in Vista, Vista shall apply such Net Cash Proceeds to prepay the Loans (other than those Loans constituting Deferred Principal Amount) in an aggregate amount of not less than $50,000,000. The amount of such prepayment shall be applied, without premium or penalty, to reduce the amount of each Scheduled Repayment on a pro rata basis (other than those Loans constituting Deferred Principal Amounts).

For the purposes of this Section 4.3A, "Net Cash Proceeds" shall mean, with respect to any issuance or sale of equity interests, the cash proceeds thereof, net of (a) attorneys' fees, accountants' fees, underwriting discounts, commissions and brokerage, consultant and other fees and expenses actually incurred in connection with such issuance and (b) taxes paid or payable as a result thereof.

4.4 Payments Generally.

(a) Each payment of principal, interest and other amounts to be made under this Agreement and the other Credit Documents shall (unless otherwise specified therein) be made for amounts owing in respect of Loans in immediately available funds, without deduction, set-off or counterclaim, to the applicable Administrative Account not later than 11:00 a.m. (New York time) on the date on which such payment shall become due (each such payment made after such time on such due date to be deemed to have been made on the next succeeding Business Day).

(b) If at the time when any payment by a Loan Party in connection with a Loan is due hereunder or under any other Credit Document there is any restriction or prohibition on access to the Argentine exchange market or a requirement to have prior authorization of any central bank or any other Governmental Authority and such authorization is not available on the date when payment is due and as a result the Borrower is not able to tender Dollars, to the fullest extent permitted by law, the applicable Loan Party shall, during the continuance of such prohibition or restriction, obtain the required amount of Dollars to pay such amount due under the Credit Documents, through: (i) the purchase with Pesos of any Dollar-denominated public or private bond or tradable debt or equity security listed in Argentina, selected by such Loan Party, and the subsequent transfer and sale thereof outside of Argentina for Dollars; provided the alternative payment mechanism described in this paragraph continues to be, in such Loan Party's reasonable judgment, a lawful mechanism for the acquisition of Dollars; or (ii) any other lawful mechanism for the acquisition of Dollars in the Argentine exchange market. Such Loan Party shall be liable for and shall pay all Taxes, costs, fees and expenses payable in connection with the transactions referred to herein for the purchase of Dollars to effect payment of any amount due and owing hereunder. Interest shall continue to accrue as specified in this Agreement on any amounts that are not paid on the due date therefor as a result of such Loan Party's entering into or consummating any transaction to obtain Dollars to make any required payment hereunder or any other Credit Document and such shall continue to accrue until full payment of such amount due is made in accordance with this Agreement and the other Credit Documents. Notwithstanding anything to the contrary contained in this Agreement or in any obligation of the Borrower to any other Person, nothing shall be construed to relieve or otherwise affect the unconditional obligation of the Borrower to satisfy all payment and other obligations under this Agreement on or prior to the due dates thereof.

(c) The Borrower and each Loan Party hereby acknowledges and agrees that this Agreement and the other Credit Documents constitute a cross-border financing and any Loan or disbursements made by any Lender hereunder will be made in Dollars and, therefore, it is of the essence of this Agreement that any and all payments made by the Borrower or any other Loan Party hereunder or under any other Credit Document in connection with any Loan is made exclusively in Dollars.

4.5 Payments by Agent to Lenders. Each payment received by the Administrative Agent under this Agreement for account of any Lender shall be paid by the Administrative Agent promptly to such Lender, but in any event within one (1) Business Day, for account of such Lender's applicable Lending Office.

4.6 Application of Insufficient Payment. If at any time insufficient funds are available to the Administrative Agent to pay fully all amounts of principal, interest, fees and other amounts then due and payable hereunder, such funds shall be applied: (a) first, to pay any amounts (including any fee, reimbursement and indemnification amounts) then due and payable to the Agent, (b) then, to pay interest then due and payable hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest then due and payable to such parties, (c) then, to pay fees then due and payable hereunder, ratably among the parties entitled thereto in accordance with the amounts of fees then due and payable to such parties, (d) then, to pay principal then due and payable hereunder, ratably among the parties entitled thereto

in accordance with the amounts of principal then due and payable to such parties, and (e) then, to pay other amounts then due and payable hereunder to Persons other than the Borrower, ratably among the parties entitled thereto in accordance with the amounts of such other amounts then due and payable to such parties.

4.7 Non-Business Days. If the due date of any payment under this Agreement would otherwise fall on a day that is not a Business Day (unless otherwise specified herein), such date shall be extended to the next succeeding Business Day (or, in the case of the Maturity Date, the immediately preceding Business Day), and interest shall be payable for any principal so extended for the period of such extension.

4.8 Pro Rata Treatment. Except to the extent otherwise expressly provided herein, (a) the Loans shall be made *pro rata* according to the respective amounts of the Commitments, (b) each payment or prepayment of principal of the Loans shall be made for account of the Lenders *pro rata* in accordance with the respective unpaid principal amounts of the Loans held by them and (c) each payment of interest and fees on the Loans shall be made for account of the applicable Lenders *pro rata* in accordance with the respective amounts of interest on the Loans then due and payable to them.

4.9 Computations. All computations of interest and fees hereunder shall be made for Loans on the basis of a year of 360 days for the actual number of days elapsed.

4.10 Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the applicable interest rate on any Loan, together with all fees and charges that are treated as interest under applicable Law, as provided for herein or in any other document executed in connection herewith, or otherwise contracted for, charged, received, taken or reserved by any Lender, shall exceed the maximum lawful rate that may be contracted for, charged, taken, received or reserved by such Lender in accordance with applicable Law, the rate of interest payable hereunder, together with all such fees and charges payable to such Lender, shall be limited to such maximum lawful rate; provided that such excess amount shall be paid to such Lender on subsequent payment dates to the extent not exceeding the legal limitation.

4.11 Non-Receipt of Funds by the Administrative Agent. Unless the Administrative Agent shall have been notified in writing by any Lender or the Borrower (the "Payor") prior to the date on which the Payor is to make payment to the Administrative Agent (in the case of a Lender) of the proceeds of a Loan to be made by such Lender hereunder or (in the case of the Borrower) of a payment to the Administrative Agent for account of one or more of the Lenders hereunder (any such payment being herein called the "Required Payment") that such Lender or the Borrower, as the case may be, will not make the Required Payment, the Administrative Agent may (but shall not be required to) assume that the Payor is making the Required Payment available to the Administrative Agent and, in reliance upon such assumption, make available to the Lenders or the Borrower, as the case may be, a corresponding amount. If such amount is not made available to the Administrative Agent by the required time on such date, the Payor shall pay to the Administrative Agent, within one (1) Business Day after demand, such amount with interest thereon at a rate (in the case of a Lender) equal to the rate specified by the Administrative Agent as its cost of funding such amount for the period and (in the case of the Borrower) equal to the rate specified in Section 2.7(c), in each case until such amount is made available to the Administrative Agent. A certificate of the Administrative Agent, submitted to any Payor with respect to any amounts owing under this Section 4.11 shall be conclusive in the absence of manifest error.

4.12 Set-Off; Sharing Among Lenders.

(a) Set-Off. Upon the occurrence and during the continuance of any Event of Default, each Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional

or final, in whatever currency) at any time held and other indebtedness at any time owing by such Lender to or for the credit or the account of the Borrower against any and all of the obligations of such Person now or hereafter existing under this Agreement or any other Credit Document to such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Credit Document and although such obligations of the Borrower may be contingent or unmatured; provided that, in the event that any Defaulting Lender shall exercise any such right of set-off, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.12 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of set-off. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such set-off and application; provided that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender under this Section 4.12 are in addition to other rights and remedies (including other rights of set-off) that such Lender may have.

(b) Sharing Among Lenders. Except as provided in Section 4.1 and Sections 4(b), (c) and (d) of Amendment No. 3, if any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on its Loans or other obligations hereunder resulting in such Lender's receiving payment of a proportion of the amount of its Loans and accrued interest thereon or other such obligations greater than its *pro rata* share thereof then the Lender receiving such greater proportion shall (i) notify the Administrative Agent of such fact, and (ii) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them; provided that (x) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and (y) the provisions of this clause (b) shall not be construed to apply to (A) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender) or (B) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to an assignee or Participant, other than to the Borrower or any Affiliate thereof (as to which the provisions of this clause (b) shall apply).

(c) Participants. Any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

(d) Exercise of Rights Not Required. Nothing contained herein shall require any Lender to exercise any such right or shall affect the right of any Lender to exercise, and retain the benefits of exercising, any such right with respect to any other indebtedness or obligation of the Borrower or any of its Subsidiaries.

4.13 Taxes.

(a) Except as required by applicable Law, any and all payments by or on account of any obligation of the Borrower under any Credit Document shall be made without deduction or withholding for any Taxes. If any applicable Law (as determined in the good faith discretion of the Withholding Agent) requires the deduction or withholding of any Tax from a payment in respect of Floating Rate Loans by a Withholding Agent, then the Withholding Agent shall be entitled to make such deduction or withholding

and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary, so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 4.13) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made. Notwithstanding the foregoing, and for the avoidance of doubt, nothing herein shall be construed to obligate the Administrative Agent to determine the duties or liabilities of the Borrower or any paying agent of the Borrower with respect to any deductions and/or withholdings required by any Law or Governmental Authority, or to pay any such deductions or withholdings to any such Governmental Authority.

(b) The Borrower shall, within 10 days of demand therefor, indemnify the Lenders and the Administrative Agent against, and reimburse the Lenders and the Administrative Agent upon demand for, any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 4.13) paid or payable at any time by any Lender or the Administrative Agent, whether or not such Taxes, were correctly or legally imposed by the relevant Governmental Authority and any incremental loss, liability, claim or reasonable expense, including legal fees, that the Lenders or the Administrative Agent may incur at any time arising out of or in connection with any failure of the Borrower to make any payment of Indemnified Taxes when due. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by an Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(c) The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of the Administrative Agent timely reimburse it for the payment of any Other Taxes (for the avoidance of doubt, including stamp taxes).

(d) As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this Section 4.13, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the Borrower and the Administrative Agent at the time or times reasonably requested by the Borrower and/or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower and/or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, deliver such other documentation prescribed by applicable Law or reasonably requested by Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation set forth in this paragraph shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(f) If a payment made to a Lender under any Credit Document would be subject to Tax under FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Law and at

such time or times reasonably requested by the Borrower and the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) as may be necessary for the Borrower and the Administrative Agent, as applicable, to comply with their obligations under FATCA and to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (f), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(g) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 4.13 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(h) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 4.13 (including by the payment of additional amounts pursuant to this Section 4.13), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 4.13 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this Section 4.13(h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 4.13(h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 4.13(h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(i) Payments of interest made by the Borrower to Lenders that are tax residents of Argentina shall be made together with (i) a value added tax of 10.5% or the then applicable rate, (ii) a value added tax perception of 1.5% or the then applicable rate and (iii) a *"Ingresos Brutos"* perception of 0.1% or the then applicable rate, provided that each such Lender shall issue and deliver to the Borrower the corresponding invoices or letterhead notes for such taxes. Each relevant Lender shall also deliver a copy of such invoice or letterhead note to the Administrative Agent no later than 3 Business Days prior to the payment date for such taxes. The Administrative Agent shall allocate the relevant payments received by the Borrower to such Lenders, according to the applicable taxes and rates included in such invoices or letterhead notes, provided, however, that, if any Lender fails to deliver such invoice, the Administrative Agent shall allocate all relevant payments, according to the taxes and rates notified to the Administrative Agent for the prior payment date.

(j) Notwithstanding anything to the contrary herein, under no circumstances shall any Loan Party be obligated to pay any additional amounts for any Taxes in respect of the Fixed Rate Loans pursuant to this Section 4.13 or Section 2.9.

(k) If at any time the Borrower or any other Loan Party shall have received from a Governmental Authority any proceedings, notices or other similar requests in connection with the provisions set forth in Argentine Law No. 11,683 (as amended and supplemented) with respect to the Loans or in any manner in relation to this Agreement for purposes of evidencing that any funds disbursed pursuant

to the terms hereunder are not deemed "*incrementos patrimoniales no justificados*" (as such terms are used within the context of Argentine Law No. 11,683 (as amended and supplemented)), the Administrative Agent, on behalf of the Lenders, following a written request from the Borrower or any Loan Party, agrees to use best efforts to cooperate with the Borrower or such Loan Party in connection with any such request.

4.14 Designation of a Different Lending Office. If any Lender requests compensation under Section 2.9, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 4.13, then such Lender shall (at the request of the Borrower) use commercially reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.9 or Section 4.13, as the case may be, in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender in such Lender's reasonable judgment. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

Section 5. Conditions Precedent to A&R Effective Date. The occurrence of the A&R Effective Date shall be subject to the conditions precedent that the Administrative Agent shall have received each of the following documents and each of the following conditions shall have occurred, or shall occur concurrently therewith, each in form and substance reasonably satisfactory to each Lender:

5.1 Credit Documents. The Administrative Agent shall have received counterparts of this Agreement, duly executed and delivered by the Borrower.

5.2 Corporate Documents. The Administrative Agent shall have received a certificate from the Borrower and each of the Guarantors, dated the A&R Effective Date, signed by an Authorized Officer of the Borrower and each of the Guarantors, certifying the names and true signatures of the officers of the Borrower and each of the Guarantors authorized to sign this Agreement.

5.3 Legal Opinion. The Agent and the Lenders shall have received the following legal opinions dated as of the A&R Effective Date:

(a) an opinion of Cleary Gottlieb Steen & Hamilton LLP, special New York counsel for the Loan Parties;

(b) an opinion of Creel, García-Cuéllar, Aiza y Enríquez, S.C., special Mexican counsel for the Loan Parties; and

(c) an opinion of Bruchou, Fernández Madero & Lombardi Abogados, special Argentine counsel for the Loan Parties.

5.4 No Default. No Default or Event of Default shall have occurred and be continuing or could reasonably be expected to occur after this Agreement becomes effective.

5.5 Material Adverse Change. Since September 30, 2020, there shall have occurred no event or circumstance that has had or could reasonably be expected to have a Material Adverse Effect (other than as described in Vista's financial statements as of and for the nine-month period ended September 30, 2020).

5.6 [*Reserved.*]

5.7 Representations and Warranties. All representations and warranties of the Loan Parties in this Agreement shall be true and correct on and as of the A&R Effective Date in all material respects (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct as of such earlier date and where such representations and warranties are qualified as to "materiality", "material adverse effect" or words to similar effect, in which case such representations and warranties shall have been true and correct in all respects).

Section 6. Representations, Warranties and Agreements. In order to induce the Lenders to enter into this Agreement, the Borrower makes the following representations, warranties and agreements on the date hereof:

6.1 Legal Status. Each Loan Party and its Subsidiaries (a) is a duly organized and validly existing corporation or other legal entity under the laws of the place of its incorporation or organization or formation, (b) has all requisite power and authority to own and/or lease its property and assets and to transact the business in which it is engaged and to do all things necessary or appropriate in respect of the business in which it is engaged and (c) is duly qualified and is authorized to do business where such qualification and authorization is required and is in good standing in each jurisdiction where the ownership, leasing or operation of its properties or the conduct of its business requires such qualification, except in the case of this clause (c) in such jurisdictions where the failure to so qualify or be in good standing, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

6.2 Power and Authority. Each Loan Party has all requisite power and authority to execute, deliver and perform the terms and provisions of each of the Credit Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of each such Credit Document to which it is a party. Each Loan Party has duly executed and delivered each of the Credit Documents to which it is a party. Each such Credit Document constitutes or, when executed and delivered, will constitute, the legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, except as enforceability thereof may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity. Each Autonomous Promise of Debt, when executed and delivered by each of the Borrower and accepted by the respective Lender or permitted assignee, shall entitle such Lender or permitted assignee to enforce such document against the Borrower in an Argentine court by means of an executory procedure (*juicio ejecutivo*) pursuant to Article 520 of the National Civil and Commercial Procedure Code and related provisions.

6.3 No Immunity; Commercial Acts. No Loan Party, nor any of their properties has any immunity from the jurisdiction of any court or from setoff or any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) under the Laws of the United States, Mexico or Argentina in respect of its obligations under the Credit Documents. Each Loan Party is subject to civil and commercial law with respect to its obligations under the Credit Documents to which it is party, and the execution and performance by it of such Credit Documents constitute private and commercial acts rather than public or governmental acts.

6.4 No Violation. Neither the execution, delivery or performance by any Loan Party of any Credit Document to which it is a party, nor compliance by such Loan Party with the terms and provisions thereof, nor the use of the proceeds of the Loans as contemplated herein (a) contravenes any provision of any Law or any order, writ, injunction or decree of any court or Governmental Authority binding on such Loan Party, (b) conflicts or is inconsistent with or results in any breach of any of the terms, covenants, conditions or provisions of, or constitutes a default in respect of any Material Agreement, or results in the creation or imposition of any Lien (other than the Liens created under the Credit Documents) upon any of the property or assets of such Loan Party or (c) violates any provision of the *estatutos sociales*, articles of incorporation, bylaws or other Organizational Documents of such Loan Party.

6.5 Compliance with Laws.

(a) Each Loan Party is in compliance with all applicable Laws and Governmental Approvals in respect of the conduct of their respective businesses and the ownership of their respective properties, except as such non-compliance as could not reasonably be expected to result in a Material Adverse Effect; provided, however, that where such compliance relates to any Anti-Corruption Laws or Sanctions, each of the Loan Party and its Subsidiaries is in compliance in all respects.

(b) Each Loan Party and its Subsidiaries have conducted their businesses in compliance with applicable Anti-Money Laundering Laws. None of the Loan Parties nor any of its Subsidiaries or, any of their respective directors, officers, employees (acting in their role as directors, officers or employees) or, to any Loan Party's knowledge, agents (acting in their role as agent for such Loan Party) (i) has taken any action that would constitute a violation of any Anti-Corruption Law or (ii) to any Loan Party's knowledge is or has been subject to any action, proceeding, litigation, claim or investigation with regard to any actual or alleged violation of any Anti-Corruption Laws or Anti-Money Laundering Laws. The Loan Parties and their Subsidiaries have implemented, and maintain and enforce, policies and procedures designed to promote compliance by the Loan Parties and their Subsidiaries with applicable Anti-Money Laundering Laws and Anti-Corruption Laws.

(c) None of the Loan Parties nor any of their Subsidiaries or any of their respective directors, officers or employees or, to any Loan Party's knowledge, controlled-Affiliates or agents (i) is or is owned fifty percent (50%) or more or controlled by a Sanctioned Person, (ii) is currently engaging in any dealings or transactions with, involving or for the benefit of a Sanctioned Person, or in or involving any Person located, organized or resident in any Sanctioned Jurisdiction, in each case in violation of applicable Sanctions or (iii) to any Loan Party's knowledge, is subject to any action, proceeding, litigation, claim or investigation with regard to any actual or alleged violation of Sanctions.

(d) The Borrower's use of proceeds under the Loans will not violate Regulations U or X.

6.6 Approvals. No authorization, consent or approval of, or notice to or filing with, any Governmental Authority or any other Person is required to authorize, or is required in connection with, (a) the execution, delivery and performance by any Loan Party of any Credit Document to which it is party, (b) the legality, validity or binding effect against any Loan Party of any such Credit Document, or (c) except to the extent required or contemplated by the Credit Documents or customary actions taken in connection with any litigation or proceeding relating to the enforcement of creditors' rights, the enforceability of the Credit Documents against any Loan Party provided, that (i) in the event that any legal proceedings are brought to the courts of Mexico, a Spanish translation of the English-language documents required in such proceedings prepared by a court-approved translator, would have to be approved by the court after the defendant had been given an opportunity to be heard with respect to the accuracy of the translation, and proceedings would thereafter be based upon the translated documents, and (ii) an official translation by a sworn public translator into the Spanish language of any document in any language other than Spanish is required to bring an action thereon in the courts of Argentina, and service upon the Borrower or any Mexican Guarantor (in the manner prescribed by Argentine and Mexican Law) as a condition to the initiation of any proceeding for the enforcement thereof in the courts of Argentina, which preparation and service may be initiated subsequent to the circumstances giving rise to such initiation of proceedings.

6.7 Litigation. There is no pending, or, to the knowledge of the Loan Parties, threatened litigation, investigation, or proceeding that could reasonably be expected to have a Material Adverse Effect.

6.8 Financial Statements; No Material Adverse Change.

(a) The audited consolidated financial statements of each Loan Party for the fiscal year ended December 31, 2019 and the unaudited consolidated financial statements of each Loan Party for the fiscal quarter ended September 30, 2020, together with the related statement of income of the Loan Parties and their Subsidiaries for the nine-month period then ended were prepared in accordance with Applicable GAAP and fairly present in all material respects the financial condition and results of operations of the Loan Parties as of December 31, 2019 and for the period covered thereby, subject to changes resulting from audit and normal year-end adjustments.

(b) Since September 30, 2020, there has been no event, condition or circumstance that has had a Material Adverse Effect (other than as described in Vista's financial statements as of and for the nine-month period ended September 30, 2020).

6.9 Properties; Insurance.

(a) Each Loan Party and each of their Subsidiaries has good title to all properties material to its business free and clear of all Liens other than Permitted Liens and irregularities or deficiencies in title that, individually or in the aggregate, would not be expected to result in a Material Adverse Effect. Each Loan Party and each of its Subsidiaries has a valid Leasehold interest in the properties material to its business used and not owned by it, free and clear of all Liens other than Permitted Liens and irregularities or deficiencies that, individually or in the aggregate, would not be expected to result in a Material Adverse Effect.

(b) All tangible properties of each Loan Party or any of their Subsidiaries (whether owned or leased) utilized in its business are in good working order and condition (except to the extent as could not reasonably be expected to have a Material Adverse Effect).

(c) Each of the Loan Parties and their Subsidiaries maintains insurance against losses, damages or other risks (including risks and liability to Persons and property) as would reasonably be expected to be maintained by prudent and experienced Persons engaged in a business or businesses in jurisdictions which are the same as or similar to the one or ones in which such Person is engaged.

6.10 Material Agreements; Liens.

(a) Neither any of the Loan Parties nor any of their Subsidiaries is in default under any material provision of any Material Agreement.

(b) Schedule 6.10(b) is a complete and correct list of each Lien existing on the date hereof securing Material Indebtedness of Vista or its Subsidiaries.

(c) Both before and after giving effect to the transactions contemplated under the Credit Documents, neither any of the Loan Parties nor any of their Subsidiaries is in payment default under any contract, agreement or instrument that creates or evidences Material Indebtedness.

6.11 Intellectual Property. Each of the Loan Parties and its Subsidiaries owns or validly and lawfully has the right to use, without restrictions or other obligations (except those that could not reasonably be expected to result in a Material Adverse Effect), each of the patents, trademarks, permits, service marks, trade names and licenses, that is necessary or advisable to continue to conduct its present business activities.

6.12 Priority of Obligations. The payment obligations hereunder constitute unconditional and unsubordinated general obligations of the Borrower and rank *pari passu* in priority of payment with all other unsecured and unsubordinated Indebtedness of the Borrower, except for obligations mandatorily preferred by applicable Laws.

6.13 True and Complete Disclosure. (a) All written and factual information (such information, other than (i) any projections, budgets, estimates and forecasts and other forward-looking information prepared by Vista or the Borrower and delivered to the Administrative Agent in connection with this Agreement (collectively, the "Projections") and (ii) information of a general economic or industry specific nature) that has been made available to the Administrative Agent or the Lenders in connection with the transactions contemplated under the Credit Documents by or on behalf of Vista or the Borrower or any of its representatives is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading, when taken as a whole, in light of the circumstances under which such statements are made (giving effect to all supplements and updates thereto) and (b) the Projections that have been made available to the Administrative Agent or the Lenders by or on behalf of Vista or the Borrower or any of its representatives have been prepared in good faith based upon accounting principles consistent with the historical audited financial statements of the Loan Parties and upon assumptions that are reasonable at the time made and at the time the related Projections are made available to the Administrative Agent or the Lenders, it being understood and acknowledged that the Projections are as to future events and are not to be viewed as facts, and the Projections are subject to significant uncertainties and contingencies, many of which are beyond any Loan Party's control, that no assurances can be given that the Projections will be realized and that actual results during the period or periods covered by the Projections may differ significantly from the projected results and such differences may be material.

6.14 ERISA. Neither any Loan Party nor any ERISA Affiliate of Vista has or has ever maintained or contributed to (or has or has ever had an obligation to contribute to) any Plan or Multiemployer Plan.

6.15 Social Security and Related Laws. The Loan Parties and each of their Subsidiaries that is organized under the laws of Argentina and Mexico is in compliance in all material respects with all applicable Laws of Argentina and Mexico in respect of social security, workers' housing fund, retirement and mandatory profit sharing.

6.16 Labor Relations. Neither any of the Loan Parties nor any of their Subsidiaries is engaged in any unfair labor practice that would be reasonably likely to have a Material Adverse Effect. There is (a) no unfair labor practice complaint pending against any of the Loan Parties or any Subsidiary or, to the knowledge of the Borrower, threatened against any of the Guarantors or any of their Subsidiaries, before any Governmental Authority with responsibility, authority or jurisdiction for such matters, and no grievance or arbitration proceeding arising out of or under any collective bargaining agreement is so pending against any of the Loan Parties or any Subsidiary or, to the knowledge of the Borrower, threatened against the Loan Parties or any Subsidiary, (b) no strike, labor dispute, slowdown or stoppage pending against any of the Loan Parties or any Subsidiary or, to the knowledge of the Borrower, threatened against the any of the Loan Parties or any Subsidiary and (c) to the knowledge of the Borrower, no union organizing activities taking place, except (with respect to any matter specified in clause (a), (b) or (c) above, either individually or in the aggregate) such as could not have a Material Adverse Effect.

6.17 Tax Returns and Payments. Each of the Loan Parties and their Subsidiaries has filed all material tax returns required to be filed by it (and such tax returns are accurate and complete in all material respects) and has paid all taxes payable by it which have become due pursuant to such tax returns and all other material taxes and material assessments payable by it which have become due, except for those contested in good faith and by appropriate proceedings and for which adequate reserves have been established.

6.18 Availability and Transfer of Foreign Currency. No requisite foreign exchange control approvals, registrations, other authorizations or filings by or with Mexico, Argentina or any Governmental Authority thereof is required to authorize, or is required in connection with, (a) the execution, delivery and performance by any Loan Party or any of its Subsidiaries of any Credit Document to which it is party or (b) the legality, validity, binding effect or enforceability against any Loan Party or any of its Subsidiaries of any such Credit Document, subject to previous fulfillment of the filings with the Argentine Central Bank required under Communication "A" 6401, as amended.

6.19 Legal Form; Enforcement. This Agreement is and each other Credit Document is, or when duly executed and delivered will each be, in proper legal form under the Laws of Mexico and Argentina, as applicable for the enforcement thereof in such jurisdiction; and to ensure the legality, validity, enforceability or admissibility in evidence of this Agreement or each other Credit Document in Mexico and Argentina, as applicable; provided that, in the event that (i) any legal proceedings are brought to the courts of Mexico, a Spanish translation of the English-language documents required in such proceedings prepared by a court-approved translator, would have to be approved by the court after the defendant had been given an opportunity to be heard with respect to the accuracy of the translation, and proceedings would thereafter be based upon the translated documents, and (ii) any legal proceedings are brought to the courts of Argentina, (a) the filing of an original of this Agreement, apostilled or legalized by the relevant Argentine consulate, as the case may be, together with a legalized Spanish translation thereof by a sworn public translator is required to bring an action thereon in the courts of Argentina, (b) the filing of claims with the Argentine judicial system is subject to payment of taxes collected to fund the court system, which taxes (including any additional costs, expenses and legal fees) must be paid by the Person filing a claim in court and which rates vary from one jurisdiction to another (the current applicable rate in the City of Buenos Aires being 3% of the amount claimed), and (c) pursuant to Argentine law No. 26,589 and its regulatory decree No. 1467/2011, certain compulsory mediation procedures must be exhausted prior to the initiation of actions before the courts sitting in the City of Buenos Aires, with the exception, among others, of bankruptcy proceedings and certain actions entitled to summary proceedings under Argentine law (such as the enforcement of a final foreign judgment), in which case mediation procedures remain optional for the plaintiff. Under the Laws of Mexico and Argentina, the choice of New York Law to govern this Agreement is a valid choice of law. Under the Laws of Mexico and Argentina, as applicable, the irrevocable submission by each of the Loan Parties to the jurisdiction of the New York courts, and consent to service of process and appointment by each of the Loan Parties of the Process Agent for service of process, in each case as set forth in this Agreement, is legal, valid, binding and enforceable.

6.20 Withholding Taxes. Except for Taxes applicable to Lenders that are Argentine residents, stamp tax in respect of Loans made by Lenders that are financial institutions authorized to act as such in Argentina pursuant to Law 21,526 as amended in accordance with section 426 of the Fiscal Code of the City of Buenos Aires, and other taxes applicable to Borrower, and for the withholding of income tax on interest payments, commissions and/or fees (if applicable) by any of the Loan Parties hereunder to any Lenders that are non-resident of Argentina (if Argentina is the taxing jurisdiction) for tax purposes, there is no income, stamp or Other Tax imposed (whether by withholding or otherwise) on the Lenders, including any political subdivision thereof or any Governmental Authority on or by virtue of the execution, delivery, performance or enforcement of, this Agreement, any Autonomous Promise of Debt, any other Credit Document or any other document required to be delivered hereunder or thereunder.

6.21 Indebtedness. Schedule 6.21 sets forth all Indebtedness of Vista and its Subsidiaries existing as of the date hereof showing the aggregate amount thereof.

6.22 Environmental Matters. Except as could not reasonably be expected to result in a Material Adverse Effect:

(a) Each of the Loan Parties and their Subsidiaries are in compliance with all applicable Environmental Laws and the requirements of any Governmental Approvals issued under such Environmental Laws;

(b) There are no pending or, to the actual knowledge of any of the Loan Parties or any Subsidiary, threatened, material Environmental Claims against any of the Loan Parties or any Subsidiary or any Real Property owned, leased or operated by any of the Loan Parties or any Subsidiary (including, any such Environmental Claim arising out of the ownership, lease or operation by any of the Loan Parties or any Subsidiary of any Real Property formerly owned, leased or operated by such Loan Party or such Subsidiary but no longer owned, leased or operated by such Loan Party or such Subsidiary);

(c) To the knowledge of any of the Loan Parties or any of their Subsidiaries, there are no material facts, circumstances, conditions or occurrences (including the Release of any Hazardous Materials) with respect to the business or operations of any of the Loan Parties or any of their Subsidiaries, or any Real Property owned, leased or operated by any of the Loan Parties or any of their Subsidiaries (including any Real Property formerly owned, leased or operated by any Loan Party or such Subsidiary but no longer owned, leased or operated by such Loan Party or such Subsidiary) or, to the knowledge of any Loan Party, any property adjoining or adjacent to any such Real Property that could be reasonably expected (i) to form the basis of an Environmental Claim against any of the Loan Parties or any of their Subsidiaries or any Real Property owned, leased or operated by any of the Loan Parties or any of their Subsidiaries or (ii) to cause any Real Property owned, leased or operated by any of the Loan Parties or any of their Subsidiaries to be subject to any restrictions on the ownership, lease, occupancy or transferability of such Real Property by any of the Loan Parties or any of their Subsidiaries under any applicable Environmental Law; and

(d) Neither any of the Loan Parties nor any of their Subsidiaries has at any time generated, used, treated or stored on, or transported Hazardous Materials to or from, or Released Hazardous Materials on or from, any Real Property owned, leased or operated by any of the Loan Parties or any of their Subsidiaries or, to the knowledge of any of the Loan Parties or any of their Subsidiaries, any property adjoining or adjacent to any such Real Property, where such generation, use, treatment, storage, transportation or Release has violated or could be reasonably expected to violate any applicable Environmental Law or give rise to an Environmental Claim against any of the Loan Parties or any of their Subsidiaries.

6.23 Investment Company Act. Neither the Borrower nor any other Loan Party is an "investment company" within the meaning of the Investment Company Act of 1940.

6.24 Use of Proceeds. The use of proceeds from the Loans as contemplated hereunder complies in all respects with applicable Law, including Anti-Money Laundering Laws, Anti-Corruption Laws, Sanctions and the provisions of Regulation U or Regulation X.

6.25 Solvency. Each Loan Party and its Subsidiaries on a consolidated basis will be Solvent both immediately prior to and immediately after giving effect to the transactions contemplated under the Credit Documents and the Borrowings hereunder.

6.26 Subsidiaries. As of the date hereof, Vista has no Subsidiaries and does not beneficially own, directly or indirectly, any Capital Stock of any other Person except as set forth on Schedule 6.26. Except as otherwise permitted by this Agreement, no agreement or other consensual arrangement that prohibits, restricts or imposes any condition upon the ability of any Subsidiary to pay dividends or return any capital with respect to any shares of its Capital Stock or to make or repay loans or advances to a Loan Party exists.

6.27 No Default. No Default or Event of Default hereunder has occurred or is continuing.

Section 7. Affirmative Covenants. Each Loan Party covenants and agrees that on and after the date hereof and so long as any Commitment or the Loans are outstanding and until the Obligations are paid in full (other than indemnification and other contingent obligations for which no claim has been asserted):

7.1 Information Covenants. The Borrower shall deliver to the Administrative Agent:

(a) Quarterly Financial Statements. As soon as available and in any event within 60 (sixty) days after the end of each quarterly fiscal period of each Loan Party (beginning with the quarterly fiscal period ending June 30, 2018), a copy of the unaudited, consolidated balance sheet and the related statements of income, retained earnings and cash flow of each Loan Party, as at the end of, and for, such period;

(b) Annual Financial Statements. As soon as available and in any event within 120 (one hundred twenty) days after the end of each fiscal year of each Loan Party for the fiscal year ended December 31, 2018, a copy of the audited, consolidated balance sheet and the related statements of income, retained earnings and cash flow of each Loan Party, as applicable, as at the end of, and for, such year and any related audit letter, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, and accompanied by an unqualified opinion thereon of such firm of independent certified public accountants of recognized international standing, which opinion shall state that said financial statements fairly present the financial condition and results of operations of the Borrower and each Guarantor, as applicable, as at the end of, and for, such fiscal year;

(c) Officer's Certificate. At the time each set of financial statements pursuant to Section 7.1(a) and Section 7.1(b) above is furnished, an officer's certificate signed by an Authorized Officer of Vista, which certificate shall (i) state that said financial statements fairly present the consolidated and unconsolidated financial condition and results of operations of the Loan Parties, as applicable, consistently applied, as at the end of, and for, such periods (subject, in the case of financial statements furnished pursuant to Section 7.1(a), to normal year-end audit adjustments), (ii) certify that as of the date thereof, no Default or Event of Default shall have occurred or, if any Default or Event of Default has occurred, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto, (iii) confirm whether a Permitted Midstream Disposition has occurred during the fiscal quarter or fiscal year most recently ended for which financial statements have been furnished to the Administrative Agent in accordance with Section 7.1(a) or (b) and what percentage of the proceeds of such Permitted Midstream Disposition Transaction have been Reinvested and (iv) in the case of a certificate delivered in connection with the financial statements of Vista set forth in reasonable detail the calculations required to establish whether Vista was in compliance with the provisions of Sections 8.10 on the date of such financial statements;

(d) Notice of Default or Litigation. As promptly as practicable and in any event within three (3) Business Days after any officer or director of any Loan Party obtains knowledge thereof (and

concurrently with, or prior to, disclosing any of the following to any other creditor of a Loan Party), notice of an Authorized Officer of the relevant Loan Party of (i) the occurrence of any event which constitutes a Default or Event of Default and (ii) any event (including with regards to any dispute, litigation, investigation or other proceeding) which could reasonably be expected to have a Material Adverse Effect, in each case describing the actions that the relevant Loan Party, as applicable has taken or intends to take with respect to such event or occurrence;

(e) Notice of Change to Material Concessions. As promptly as practicable and in any event within three (3) Business Days after any officer or director of the Borrower obtains knowledge thereof (and concurrently with, or prior to, disclosing any of the following to any other creditor of a Loan Party), notice of an Authorized Officer of the Borrower of the material amendment or material modification of any Material Concession, in each case describing the material amendment or material modification that the relevant Loan Party, as applicable, has made or intends to make with respect to such Material Concession;

(f) Unrestricted Proceeds Officer's Certificate.

(i) At least five (5) Business Days prior to the proposed date of receipt of any Unrestricted Equity Proceeds, an officer's certificate signed by an Authorized Officer of the Borrower, which certificate shall state the amount of Unrestricted Equity Proceeds to be received by a Loan Party or Restricted Subsidiary;

(ii) Not later than fifteen (15) Business Days after the date of any Investment or any repayment, in each case, of the type described in clause (ii) of the definition of "Unrestricted Proceeds", the Borrower shall deliver or cause to be delivered to the Administrative Agent a certificate that shall (A) certify as to the identity of the entity that has made a use of Unrestricted Proceeds, (B) certify as to the amount of Unrestricted Proceeds available immediately before giving effect to such use of Unrestricted Proceeds, (C) certify as to the amount of Unrestricted Proceeds available immediately after giving effect to such use of Unrestricted Proceeds, (D) certify as to the amount of Unrestricted Proceeds so used or to be used, (E) certify as to the use that such entity has made or proposes to make using the Unrestricted Proceeds and (F) specify the relevant provision of this Agreement under which such use is permitted;

(iii) If any Loan Party or Restricted Subsidiary intends to use Unrestricted Proceeds for any Investment or any repayment, in each case, of the type described in clause (ii) of the definition of "Unrestricted Proceeds" within fifteen (15) Business Days prior to any scheduled principal or interest payment date under the Credit Agreement (for the purpose of this clause (iii), such scheduled principal or interest payment date a "specified payment date"), the Borrower shall deliver or cause to be delivered to the Administrative Agent a certificate, no later than two (2) Business Days prior to the date on which such use of Unrestricted Proceeds is intended to be made, in which the Borrower shall (A) certify that immediately before and after giving effect to the proposed use of such Unrestricted Proceeds, the Borrower has sufficient funds to pay in full in cash the amount of interest and/or principal (as applicable) due on such specified payment date, (B) certify as to the identity of the entity that intends to use the Unrestricted Proceeds, (C) certify as to the amount of Unrestricted Proceeds available immediately before giving effect to such use of Unrestricted Proceeds, (D) certify as to the amount of Unrestricted Proceeds available immediately after giving effect to such use of Unrestricted Proceeds, (E) certify as to the amount of Unrestricted Proceeds to be used, (F) certify as to the use such entity proposes to make using the Unrestricted Proceeds and (G) specify the relevant provision of this Agreement under which such intended use is permitted; and

(g) Other Information. From time to time such other information regarding the financial condition, operations or business of the Loan Parties and their Subsidiaries as may be reasonably requested by the Administrative Agent or any Lender through the Administrative Agent.

7.2 Compliance with Laws.

(a) Each Loan Party shall, and shall cause any Subsidiary to, comply with all applicable requirements of Law, including all relevant Governmental Approvals, Environmental Laws, ERISA, social security, workers' housing fund retirement and mandatory profit sharing except where any failure so to comply could not individually or in the aggregate have a Material Adverse Effect, and except that any Loan Party may, at its expense, contest by appropriate proceedings conducted in good faith the validity or application of any such requirement of Law, so long as none of the Lenders or such Loan Party would be subject to any criminal liability for failure to comply therewith.

(b) The Loan Parties shall continue to maintain and enforce policies and procedures designed to promote compliance by each Loan Party and each of their respective Subsidiaries, and their respective directors, officers, employees (acting in their role as directors, officers and employees) and agents (acting in their role as agents of such Loan Party or Subsidiary) and controlled Affiliates with Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions. The Loan Parties shall promptly notify the Lenders, to the extent that any such notification does not violate applicable Law (including any applicable privilege), in the event that any Loan Party becomes aware that any Loan Party or any of such Loan Party's Subsidiaries, or any of their respective directors, officers, employees, agents or controlled Affiliates becomes a Sanctioned Person.

7.3 Rank of Obligations. Each Loan Party shall take all actions necessary to ensure that the Obligations will rank *pari passu* in priority of payment with all existing and future unsecured and unsubordinated obligations of the Loan Parties, except for obligations mandatorily preferred by applicable Laws.

7.4 Books and Records. Each Loan Party shall, and shall cause its Restricted Subsidiaries to, keep proper books of record and accounts adequate to reflect truly and fairly in all material respects its financial condition and results of operations in accordance with Applicable GAAP and all requirements of Law.

7.5 Payment of Taxes. Vista shall, and shall cause its Restricted Subsidiaries to, duly pay and discharge before they become overdue: (1) all material taxes, assessments and other governmental charges or levies imposed upon it or any of its property, income or profits; (2) all material utility and other governmental charges incurred in the ownership, operation, maintenance, use, occupancy and upkeep of its business; and (3) all lawful claims and obligations that, if unpaid, might result in a Material Adverse Effect; provided, however, that Vista and each Restricted Subsidiary may contest in good faith any such tax, assessment, charge, levy, claim or obligation and, in such event, may permit the tax, assessment, charge, levy, claim or obligation to remain unpaid during any period, including appeals, when Vista or such Restricted Subsidiary is in good faith contesting the same by proper proceedings, so long as adequate reserves shall have been established with respect to any such tax, assessment, charge, levy, claim or obligation, accrued interest thereon and potential penalties or other costs relating thereto in accordance with and to the extent required by Applicable GAAP, or other adequate provision for payment thereof shall have been made.

7.6 Inspection. At any reasonable time and from time to time (with reasonable advance notice and during normal business hours), the Loan Parties shall, and shall cause its Restricted Subsidiaries to, permit any representative designated by the Administrative Agent or any of the Lenders to

examine and make extracts from the records and books of account of, and visit the properties of, the Loan Party or such Restricted Subsidiary, and to discuss the affairs, finances and accounts of the Loan Party or such Restricted Subsidiary with any of its officers and directors and with its certified public accountants (provided that the Loan Party be provided, if the Loan Party is present at the time this meetings are scheduled, with the opportunity to be present at any such discussions), all to the extent reasonably requested by the Administrative Agent or any of the Lenders and at the Administrative Agent's or such Lender's expense (unless an Event of Default has occurred and is continuing, in which case such inspection shall be at the expense of the Loan Party); provided that (i) such inspections shall be limited, in the absence of the occurrence and continuance of an Event of Default, to once in each calendar year for the Administrative Agent and the Lenders, collectively, (ii) the Administrative Agent and each of the Lenders agree that any information with respect to the Loan Party or any of its Restricted Subsidiaries obtained by the Administrative Agent or such Lender in the course of such inspection shall be subject to the confidentiality provisions set forth in Section 11.3, (iii) such examinations, inspections and discussions are conducted in a manner that does not interfere with or otherwise interrupt in any material respect the operations of the Loan Party or the relevant Restricted Subsidiary and, in the case of any discussions with independent accountants, only if representatives of the Loan Party are afforded an opportunity to participate with reasonable advance notice, (iv) none of the Loan Parties or its Restricted Subsidiaries will be required to disclose information to such representatives of the Administrative Agent or the Lenders that is prohibited by applicable Law, that it reasonably determines constitutes a confidential trade secret, or is subject to attorney-client or similar privilege or constitutes attorney work product and (v) except when an Event of Default shall have occurred and shall be continuing, the Administrative Agent and Lenders shall use reasonable efforts to coordinate examinations and inspections under this Section 7.6 in order to reduce the resulting burden on the Loan Parties and their Restricted Subsidiaries.

7.7 Maintenance of Property, Insurance. Each Loan Party shall, and shall cause its Restricted Subsidiaries to: (a) keep all property necessary to its business in good working order and condition, ordinary wear and tear excepted; (b) maintain insurance on all such property in at least such amounts and against at least such risks as is consistent and in accordance with industry practices for companies similarly situated owning similar properties in Mexico and Argentina; and (c) furnish to the Administrative Agent, upon request, full information as to the insurance carried except, in each case, as would not result in a Material Adverse Effect.

7.8 Maintenance of Existence; Conduct of Business. Except as otherwise permitted under Sections 8.3, 8.4 and 8.5, each Loan Party shall, and shall cause its Restricted Subsidiaries to, preserve and maintain its legal existence and all of the licenses, rights, privileges and franchises material to its business or necessary for the maintenance of its corporate existence, and comply, in all material respects, with its Organizational Documents; provided that no Loan Party (other than the Borrower or the Guarantors, with respect to corporate existence right, privileges and franchises material to its business) or any of its Restricted Subsidiaries shall be required to preserve or maintain any such existence or licenses, rights, privileges and franchises if Vista's board of directors (or similar governing body) shall determine that the preservation or maintenance thereof is no longer desirable or necessary in the conduct of business of such Person, and that the loss thereof is not disadvantageous in any material respect to such Person or the Lenders.

7.9 Maintenance of Consents and Approvals. Each Loan Party shall, and shall cause its Restricted Subsidiaries to, take all such further actions as shall be required to ensure that all orders, consents, licenses, authorizations, validations, filings, registrations, declarations, recordings, exemptions, franchises, permissions, permits, waivers and similar approvals from all Governmental Authorities or other third parties shall remain in full force and effect, except where the failure to so maintain such orders, consents, licenses, authorizations, validations, filings, registrations, declarations, recordings, exemptions, franchises, permissions, permits, waivers and similar approvals in full force and effect could not, individually or in the aggregate, have a Material Adverse Effect.

7.10 Further Assurances. (a) Each Loan Party will make, execute, endorse, acknowledge, file with and/or deliver, or cause to be made, executed, endorsed, acknowledged, filed and/or delivered, to the Administrative Agent from time to time such documents, instruments and opinions and take such further steps relating to the transfer of all or any portion of the Loans as contemplated in Section 12.3, as the Administrative Agent or any Lender may reasonably require. The Borrower will, and will cause each of the other Loan Parties to, at the expense of the Borrower, make, execute, endorse, acknowledge, file and/or deliver to the Administrative Agent or any Lender from time to time such vouchers, invoices, schedules, confirmatory assignments, conveyances, financing statements, transfer endorsements, powers of attorney, certificates, opinions, reports, control agreements and other assurances or instruments and take such further steps as the Administrative Agent or any Lender may reasonably require in order to establish and protect the rights and remedies created or intended to be created under the Credit Documents.

(b) Vista will cause (x) each Material Subsidiary of Vista acquired, established or created after the Effective Date, within fifteen (15) Business Days after its acquisition, establishment or creation and (y) Aluvional to the extent required by Section 8.12(c), to (i) execute and deliver a Guaranty substantially in the form of Exhibit E, (ii) upon the request of the Administrative Agent, to execute and offer to assume as joint and several obligor of any then existing Autonomous Promise of Debt, with respect to Aluvional and any Material Subsidiary if such Material Subsidiary is organized under the laws of Argentina and (iii) provide to the Administrative Agent (A) evidence that all corporate formalities necessary for such Material Subsidiary or Aluvional (as applicable) to execute, deliver and perform its guaranty pursuant to this Section 7.10(b) have been carried out, including, powers of attorney, certified by a notary public, authorizing the relevant officers of such Subsidiary or Aluvional (as applicable) to execute and deliver a Guaranty and, with respect to Aluvional or the Subsidiaries organized under the laws of Argentina, to assume as joint and several obligors of any then existing Autonomous Promise of Debt, (B) an opinion from legal advisors to such Material Subsidiary or Aluvional (as applicable), which may be provided by the general counsel or chief legal officer of such Material Subsidiary, Aluvional or the Borrower, in form and substance substantially consistent with the opinion to be delivered under Section 5.3 relating to the Guaranties entered into on the Effective Date, and (C) evidence of the acceptance by the Process Agent of the appointment and designation by and on behalf of such Material Subsidiary or Aluvional (as applicable) of the guaranty to be delivered pursuant to this Section 7.10(b).

(c) Any subordinated debt issued by Vista or any Restricted Subsidiary to any unaffiliated person shall be subordinated pursuant to a subordination agreement among the Administrative Agent on behalf of the Lenders and the relevant subordinated creditor.

7.11 Use of Proceeds. The proceeds of the Loans will be used solely (a) to refinance in full of all outstanding loans, obligations, interests, fees, costs and expenses under the Existing Credit Agreement, (b) general corporate purposes and (c) pay related transaction fees, costs and expenses.

7.12 Reset Date Affirmative Covenants. Notwithstanding any of the foregoing, each of the Loan Parties covenants and agrees for the benefit of the Lenders that, during the period from the Amendment No. 3 Effective Date until the Reset Date, Vista will maintain at all times, on a Consolidated basis, a minimum balance of Cash and Cash Equivalents in an amount equal to at least $25,000,000.

For the avoidance of doubt, the breach of any covenant in this Section 7.12 shall constitute an Event of Default under clause (a) of Section 9.3.

7.13 Process Agent Appointment Confirmation. (a) Not later than three (3) Business Days after the A&R Effective Date, the Administrative Agent shall have received one of the following: (i) an acceptance letter regarding each Loan Party's appointment of the Process Agent, duly executed and delivered by the Process Agent or (ii) written evidence reasonably satisfactory to the Administrative Agent confirming that the Process Agent has accepted each Loan Party's appointment of the Process Agent (which written evidence may be in the form of an e-mail addressed to the Administrative Agent) and (b) not later than fifteen (15) Business Days after the A&R Effective Date, the Administrative Agent shall have received confirmation and acknowledgment by each Loan Party that is organized under the laws of Mexico that the irrevocable special power of attorney granted in favor of the Process Agent before a Mexican notary public on or around the Effective Date continues to be in full force and effect as of the A&R Effective Date.

Section 8. Negative Covenants. Each Loan Party covenants and agrees that on and after the date hereof and so long as any Commitment or the Loans are outstanding and until the Obligations are paid in full (other than indemnification and other contingent obligations for which no claim has been asserted):

8.1 Liens. No Loan Party will, nor will it permit any of its Restricted Subsidiaries to, create, incur, assume or suffer to exist any Lien upon or with respect to any of its Property or assets (real or personal, tangible or intangible), whether now owned or hereafter acquired; provided that the provisions of this Section 8.1 shall not prevent the creation, incurrence, assumption or existence of the following Liens (the "Permitted Liens"):

(a) inchoate Liens for taxes, assessments or governmental charges or levies not yet due or Liens for taxes, assessments or governmental charges or levies being contested in good faith and by appropriate proceedings for which adequate reserves have been established in accordance with and to the extent required by Applicable GAAP;

(b) Liens in respect of any assets imposed by law, which were incurred in the ordinary course of business and do not secure Indebtedness for borrowed money, such as carriers', warehousemen's, materialmen's and mechanics' liens and other similar Liens arising in the ordinary course of business;

(c) easements, rights-of-way, restrictions, encroachments and other similar charges or encumbrances, and title deficiencies, in each case not securing Indebtedness and not materially interfering with the conduct of the business of such Person;

(d) (i) Liens incurred in the ordinary course of business in connection with workers compensation claims, unemployment insurance and social security benefits , and (ii) Liens over property securing the performance of bids, tenders or leases (including Capitalized Lease Obligations) subject to a purchase money security interest or similar agreement and statutory obligations, surety bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business and consistent with past practices (exclusive of obligations in respect of the payment for borrowed money); provided that the aggregate commitments and outstanding principal amounts of Indebtedness and other obligations secured thereby do not exceed $20,000,000;

(e) Liens (i) incurred in the ordinary course of business in connection with the purchase or shipping of goods or assets of such Person (or the related assets and proceeds thereof), which Liens are in favor of the seller or shipper of such goods or assets and only attach to such goods or assets, and (ii) in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods by the Borrower;

(f) (i) solely on or prior to the date occurring on twenty (20) Business Days after the Disbursement Date, any Liens in respect of the Existing Credit Agreement and (ii) any other Liens in existence on the date hereof and set forth on Schedule 6.11(b);

(g) Liens on any property or asset existing thereon at the time of acquisition of such property or asset, including any Lien on any property or assets acquired from a Person which is merged with or into the Borrower or any of its Subsidiaries, or any Lien on the property or assets of any Person or other entity existing at the time such Person or other entity becomes a Subsidiary, and not created in connection with such acquisition;

(h) Liens securing an extension, renewal or refunding of Indebtedness secured by any Lien referred to in clause (g) above; provided that such new Liens are limited to the property which was subject to the prior Lien immediately before such extension, renewal or refunding; provided further that the principal amount of Indebtedness secured by the prior Lien immediately before such extension, renewal or refunding is not increased;

(i) any interest or title of a lessor or sublessor under any lease of real estate permitted hereunder;

(j) any zoning or similar law or right reserved to or vested in any governmental office or agency to control or regulate the use of any real property;

(k) judgment Liens that do not give rise to an Event of Default and are being contested in good faith and by proper proceedings and as to which reasonably appropriate reserves are being maintained;

(l) Liens on Dollars and Cash Equivalents that are in the form of treasury bonds or other government debt instruments in connection with *cauciones bursátiles* in an amount not to exceed at any time $70,000,000 permitted to be incurred or created pursuant to Section 8.12(a)(v) of this Agreement;

(m) other Liens; provided that (x) before the Reset Date, the aggregate commitments and outstanding principal amounts of Indebtedness and other obligations secured thereby do not exceed $5,000,000 and (y) on or after the Reset Date, the aggregate commitments and outstanding principal amounts of Indebtedness and other obligations secured thereby do not exceed $30,000,000; provided further that such amount will be increased to (i) $45,000,000 if 50% of the principal amount of the Loans outstanding on the Disbursement Date have been repaid and (ii) $60,000,000 if 75% of the principal amount of the Loans outstanding on the Disbursement Date have been repaid;

(n) Liens on Cash and Cash Equivalents to secure commitments and Indebtedness permitted to be incurred or created pursuant to Section 8.12(a)(vii) of this Agreement; and

(o) Liens contemplated under Section 4.3A(b) of this Agreement and the definition of Permitted Refinancing Indebtedness.

8.2 Consolidations, Mergers. No Loan Party will, nor will it permit any Restricted Subsidiaries to, change its entity form, wind-up, liquidate or dissolve its affairs or enter into any transaction of amalgamation, consolidation or merger with or into, or acquire all or substantially all of the assets of, any other Person (whether in one transaction or in a series of related transactions); provided that any Restricted Subsidiary may (a) so long as, in each case, the continuing or surviving person is a Loan Party, (i) merge or be merged with or into any Loan Party or another Restricted Subsidiary or (ii) acquire all or substantially all of the assets of any Loan Party and (b) liquidate or dissolve (other than in connection with

a merger that is otherwise permitted) if (i) such Restricted Subsidiary is not a Loan Party and (ii) such Loan Party determines in good faith that such liquidation or dissolution is in the best interests of such Loan Party and is not materially disadvantageous to the Lenders; provided further that, notwithstanding anything to the contrary herein, and except in connection with a Permitted Transaction, no Guarantor may, in any transaction or series of transactions, transfer all or a substantial portion of its assets to any Person or Persons other than Vista or another wholly-owned Restricted Subsidiary that is a Guarantor.

8.3 Sales of Assets; Sale-Leaseback Transactions. No Loan Party will, nor will it permit any of its Restricted Subsidiaries to, consummate any Asset Disposition, including equity interests in any of its Restricted Subsidiaries, except:

(a) any issuance of Capital Stock by a Loan Party or any Restricted Subsidiary to, or any disposition of any Capital Stock of a Loan Party or any Restricted Subsidiary to, any Person other than a Loan Party, a Restricted Subsidiary or Unrestricted Subsidiary, so long as (i) such issuance or disposition does not cause a Change of Control and (ii) such Loan Party or Restricted Subsidiary (if it is a Material Subsidiary) continues to be a Guarantor;

(b) any sales or dispositions of obsolete, worn out, surplus, non-producing or redundant vehicles or equipment that are not useful or necessary for the operation of the projects or that are replaced;

(c) any sales or dispositions of inventory or natural gas and oil made in the ordinary course of business;

(d) sales or discounts without recourse of accounts receivable arising in the ordinary course of business in connection with the compromise or collection thereof;

(e) transfers of (i) condemned property that is the subject of a Expropriation Event to the respective Governmental Authority or other Person, or (ii) property that has been subject to a Casualty Event to the respective insurer of such property as part of an insurance settlement;

(f) except as otherwise permitted under this Section 8.3, any sales or dispositions of any Property purchased with Unrestricted Proceeds (so long as (i) prior to acquiring such Property, the Borrower or other Loan Party or Restricted Subsidiary has notified the Administrative Agent of its intent to acquire such Property with Unrestricted Proceeds or (ii) prior to disposing of such Property, the Borrower or other Loan Party or Restricted Subsidiary has notified the Administrative Agent that it has acquired such Property with Unrestricted Proceeds);

(g) the unwinding of any Hedging Agreement;

(h) subject to compliance with Section 8.7, any sale, assignment, conveyance or other transfer of Property to any Loan Party;

(i) any sales or dispositions (x) from a Restricted Subsidiary to a Loan Party, (y) from a Loan Party to another Loan Party or (z) from a Loan Party to any Restricted Subsidiary that becomes a Guarantor;

(j) leases of real or personal property in the ordinary course of business;

(k) in connection with any transactions otherwise permitted by Sections 8.2, 8.4 and 8.6;

(l) in connection with a Permitted Midstream Disposition Transaction;

(m) in connection with any Farm-In Agreement (including, without limitation, an asset-swap in respect of a Farm-In Agreement).

(n) except as otherwise permitted under this Section 8.3, any sale, disposition or transfer in connection with a Farm-Out Agreement; provided that the book value of such sales, dispositions and transfers, determined as of the date of such sale, disposition or transfer, do not exceed, in the aggregate, an amount equal to 20% of the Consolidated Total Assets of Vista (determined in accordance with (i) the June 30, 2018 unaudited financial statements of Vista for any date of determination occurring on or after the Effective Date, up to but excluding the date on which the financial statements of Vista as of and for the fiscal year ended December 31, 2018 are required to be delivered to the Administrative Agent in accordance with Section 7.1 (b) hereunder (the "Initial Annual Financial Statement Delivery Date") and (ii) the financial statements of Vista for the fiscal year most recently ended for which financial statements were required to be delivered to the Administrative Agent in accordance with Section 7.1(a) for any date of determination occurring on or after the Initial Annual Financial Statement Delivery Date; and

(o) except as otherwise permitted under this Section 8.3, any sale, disposition or transfer where the higher of the book value and the Net Available Proceeds does not exceed, in the aggregate, $45,000,000.

8.4 Advances, Contingent Obligations, Investments and Loans. No Loan Party will, nor will it permit any of its Restricted Subsidiaries to, directly or indirectly, make any deposit with, lend money or credit or make advances to any Person, undertake any Contingent Obligation in respect of the Indebtedness of any other Person, or purchase or acquire (whether for cash, securities, other property, services or otherwise) any Capital Stock, bonds, notes, debentures, obligations or any other securities of or make any capital contribution to, any other Person (each of the foregoing an "Investment" and collectively, "Investments"), except that the following shall be permitted:

(a) the Borrower and any other Loan Party and any of their Restricted Subsidiaries may consummate the transactions contemplated under the Credit Documents in accordance with the Credit Documents;

(b) the Borrower and any other Loan Party may (i) acquire and hold accounts receivable owing to any of them if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary terms, (ii) invest in, acquire and hold Cash and Cash Equivalents, (iii) endorse negotiable instruments held for collection in the ordinary course of business or (iv) make lease, utility and other similar deposits in the ordinary course of business;

(c) Investments by any Loan Party or any Restricted Subsidiaries in any Subsidiary or any other Person engaged in Permitted Business; provided that (i) immediately before and after giving effect to any such Investment, no Default has occurred and is continuing or would result therefrom, (ii) any such Investments shall only be made with Unrestricted Proceeds and (iii) the Loan Parties are in compliance with the Consolidated Interest Coverage Ratio, and the Consolidated Total Debt to Consolidated EBITDA each calculated on a Pro Forma Basis as of the last day of the most recently ended fiscal quarter of Vista for which financial statements are available;

(d) Investments by any Loan Party or any Restricted Subsidiary in the form of a guarantee of any Indebtedness incurred pursuant to Section 8.12(a)(viii) hereto;

(e) Investments in securities of trade creditors or customers in the ordinary course of business received upon foreclosure or pursuant to any plan of reorganization or liquidation or similar arrangement upon the bankruptcy or insolvency of such trade creditors or customers;

(f) advances of payroll payments to employees, consultants or independent contractors of Vista or any Restricted Subsidiary or other advances of salaries or compensation to such employees, consultants or independent contractors, in each case, in the ordinary course of business;

(g) Investments related to Permitted CASO Farm-Out Agreements and Permitted Jaguar Farm-In Agreements;

(h) Investments in Cash and Cash Equivalents;

(i) Investments in any Loan Party; provided that, from the Effective Date until the date that is eighteen (18) months from the Effective Date, (x) no Restricted Subsidiary of Vista Holding I may make any Investment except in another Restricted Subsidiary of Vista Holding I and (y) Vista Holding I may not make any Investment except in any Loan Party (1) in an amount, when taken together with the amount of any Restricted Payments made by Vista Holding I, pursuant to Section 8.6(a)(i)(y)(1), not to exceed $100,000,000 in the aggregate at any time and/or (2) with Unrestricted Proceeds;

(j) mergers and consolidations in compliance with Section 8.2;

(k) Hedging Agreements which constitute Investments;

(l) Acquisitions; provided that immediately after giving effect to such Acquisition, the Loan Parties are in compliance with the Consolidated Interest Coverage Ratio and the Consolidated Total Debt to Consolidated EBITDA Ratio each calculated on a Pro Forma Basis as of the last day of the most recently ended fiscal quarter of Vista for which financial statements are available;

(m) except as otherwise permitted under clause (g), Farm-In Agreements; provided that immediately after giving effect to the transactions contemplated in any such Farm-In Agreement involving consideration (including any assumed Indebtedness in connection therewith) in excess of $10,000,000, the Loan Parties are in compliance with the Consolidated Interest Coverage Ratio and the Consolidated Total Debt to Consolidated EBITDA Ratio each calculated on a Pro Forma Basis as of the last day of the most recently ended fiscal quarter of Vista for which financial statements are available;

(n) Investments in connection with Use of Proceeds Transactions; and

(o) except as otherwise permitted under this Section 8.4, (i) from the Effective Date until the date that is eighteen (18) months from the Effective Date, Investments in Unrestricted Subsidiaries in an amount not to exceed $10,000,000 and (ii) Investments in Capital Stock of any Person engaged in Permitted Business; provided that (x) the amount of such Investments made pursuant to clauses (i) and (ii) does not exceed $40,000,000 in the aggregate and (y) at the time of any such Investment and after giving effect thereto, the Consolidated Total Debt to Consolidated EBITDA Ratio, calculated on a Pro Forma Basis as of the last day of most recently ended fiscal quarter does not exceed 2.00:1.00.

8.5 No Change in Line of Business. No Loan Party will, nor will it permit any of its Subsidiaries to, engage in any business other than the business in which such Person is engaged as of the date hereof and such activities as may be incidental or related thereto (collectively, the "Permitted Business").

8.6 Dividend; Restrictions on Subsidiary Dividends; Restricted Payments of Indebtedness.

(a) Unless mandatorily required by applicable Law, no Loan Party will, nor will it permit any of its Restricted Subsidiaries to, declare or pay any dividends or return any capital (including capital contributions for future capitalization) to its stockholders or authorize or make any other distribution, payment or delivery of property or cash to its stockholders as such, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for consideration, any shares of any class of its Capital Stock now or hereafter outstanding (or any options or warrants issued by any Loan Party or Subsidiary with respect to its Capital Stock), or set aside any funds for any of the foregoing purposes (the "Restricted Payments") , except that:

(i) any Restricted Subsidiary may pay, make or declare dividends or distributions to Vista, to any Loan Party and/or any wholly-owned Restricted Subsidiary (and, in the case of any such Restricted Subsidiary that is not wholly-owned directly or indirectly by Vista, making such dividends or distributions to holders of its Capital Stock other than a Loan Party on no more than a pro rata basis, measured by value, with any such dividends or distributions paid to such Loan Party); provided that, from the Effective Date until the date that is eighteen (18) months from the Effective Date, so long as immediately before and after giving effect to any such Restricted Payment, no Default has occurred and is continuing or would result therefrom, (x) no Restricted Subsidiary of Vista Holding I may make any Restricted Payment except a Restricted Payment to Vista Holding I or another Restricted Subsidiary of Vista Holding I and (y) Vista Holding I may not make any Restricted Payment other than Restricted Payments to any Loan Party (1) in an amount, when taken together with the amount of any Investments made by Vista Holding I pursuant to Section 8.4(i)(y)(1), not to exceed $100,000,000 in the aggregate at any time and/or (2) with Unrestricted Proceeds;

(ii) no payment in respect of a Use of Proceeds Transaction and no payment from Unrestricted Equity Proceeds shall be deemed to be a Restricted Payment; and

(iii) from the date that is eighteen (18) months after the Effective Date and thereafter, so long as immediately after giving effect to any such Restricted Payment, no Default has occurred and is continuing or would result therefrom, Vista may make Restricted Payments so long as after giving effect to such Restricted Payment, the aggregate amount of Restricted Payments made in the distribution period set forth in the table below do not exceed the corresponding Restricted Payment limit set forth opposite such distribution period. The maximum permitted Restricted Payment amount set forth opposite each distribution period is an "Annual Permitted Net Income Restricted Payment Amount"); provided that, at the end of each distribution period indicated below, the unused portion of any Annual Permitted Net Income Restricted Payment Amount (including, if applicable, any unused portion of any Annual Permitted Net Income Restricted Payment amount from prior years) shall be added to the Annual Permitted Net Income Restricted Payment Amount for the immediately following distribution period:

Distribution Period	**Restricted Payment Limit**
Fiscal Year ended December 31, 2020	40 percent of Vista Consolidated Net Income, determined with respect to the 12 month period ended December 31, 2019
Fiscal Year ended December 31, 2021	50 percent of Vista Consolidated Net Income, determined with respect to the 12 month period ended December 31, 2020

Fiscal Year ended December 31, 2022	60 percent of Vista Consolidated Net Income, determined with respect to the 12 month period ended December 31, 2021
Period beginning January 1, 2023 and ending on the Maturity Date	60 percent of Vista Consolidated Net Income, determined with respect o the 12-month period ended December 31, 2022

(b) Vista will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, enter into or permit to exist any agreement or other consensual arrangement that prohibits, restricts or imposes any condition upon the ability of any such Person to pay dividends or return any capital with respect to any shares of its Capital Stock or to make or repay loans or advances to a Loan Party; provided that the foregoing shall not apply to (i) restrictions or conditions imposed by law, (ii) restrictions or conditions imposed by this Agreement or any other Credit Document, or (iii) customary restrictions in Indebtedness permitted to be incurred hereunder.

(c) Notwithstanding anything herein to the contrary, Vista will not, and will not permit any of its Restricted Subsidiaries to make any prepayment, repayment, redemption or repurchase of any Deeply Subordinated Indebtedness (other than any prepayment, repayment, redemption or repurchase made using Unrestricted Proceeds so long as immediately after giving effect to any such prepayment, repayment, redemption or repurchase, no Default has occurred and is continuing or would result therefrom).

(d) For the avoidance of doubt and notwithstanding the Loan Parties' obligations to either Reinvest the proceeds of a Permitted Midstream Disposition Transaction or apply such proceeds to make a mandatory prepayment pursuant to Section 4.3(a), no Loan Party may use the proceeds of a Permitted Midstream Disposition Transaction to make a Restricted Payment (other than a Restricted Payment permitted under clauses (a) (i) of this Section 8.6).

8.7 Transactions with Affiliates. No Loan Party will, nor will it permit any of its Restricted Subsidiaries to, enter into any transaction or series of related transactions with any Affiliate (including any Unrestricted Subsidiary) thereof, other than on terms and conditions substantially as favorable to such Person as would reasonably be obtained at that time in a comparable arm's-length transaction with a Person other than such Affiliate; provided that the foregoing restriction shall not apply to (a) any transaction among the Loan Parties; (b) reasonable and customary director, officer and employee compensation and other benefits (including retirement, health, stock option and other benefit plans) and indemnification arrangements with respect to any Loan Party or Restricted Subsidiary, in each case approved by the board of directors of the applicable Loan Party or any Restricted Subsidiary, as applicable; (c) compensation, employment and severance arrangements for officers and other employees of any Loan Party and transactions pursuant to stock option plans, stock incentive plans and employee benefit plans and arrangements, in each case, entered into in the ordinary course of business; (d) loans or advances to directors, officers and employees of any Loan Party in the ordinary course of business permitted by Section 8.4(f); and (e) any transaction in connection with any Permitted Transaction, Farm-Out Agreement, Farm-In Agreement, Use of Proceeds Transaction, or the APCO Sub-Loan Agreement.

8.8 Changes in Accounting Practices.

(a) No Loan Party will, nor will it permit any of its Restricted Subsidiaries to, (i) make any significant change in accounting treatment or reporting practices, except as required or permitted by Applicable GAAP or mandatorily applicable Law or (ii) change the fiscal year end of such Person to a day other than December 31.

(b) If at any time any change in Applicable GAAP would affect the computation of any financial ratio or requirement set forth in this Agreement, and either any of the Loan Parties or the Required Lenders shall so request, the Required Lenders and the Loan Parties shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in Applicable GAAP; provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with Applicable GAAP in effect prior to such change and (ii) the Loan Parties shall provide or cause to be provided to the Administrative Agent financial statements and other documents required under this Agreement or as reasonably required by the Administrative Agent setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in Applicable GAAP.

8.9 Modification or Termination of the Organizational Documents of Loan Parties. No Loan Party will, nor will it permit any of its Subsidiaries to, amend or modify any of their Organizational Documents, in a manner that would materially and adversely affect the Lenders' rights or remedies under the Credit Documents.

8.10 Financial Covenants.

(a) Consolidated Total Debt to Consolidated EBITDA Ratio. Vista will not permit the Consolidated Total Debt to Consolidated EBITDA Ratio, as of the last day of any fiscal quarter, beginning with the fiscal quarter ending September 30, 2018, to exceed 3.00:1.00.

(b) Consolidated Interest Coverage Ratio. Vista will not permit the Consolidated Interest Coverage Ratio, as of the last day of any fiscal quarter, beginning with the fiscal quarter ending September 30, 2018, to be at any time less than 3.00:1.00.

For the avoidance of doubt, for the purposes of this Section 8.10, each of the ratios in clauses (a) and (b) shall be determined using the financial statements required to be delivered or made available in accordance with Section 7.1 (a) and (b).

Notwithstanding any of the foregoing, the parties hereto agree that during the period from the Amendment No. 3 Effective Date until the Reset Date, failure of the Loan Parties to comply with the Consolidated Total Debt to Consolidated EBITDA Ratio and Consolidated Interest Coverage Ratio under this Section 8.10 will not constitute an Event of Default. For the avoidance of doubt, until the Reset Date, each of the Lenders party hereto and the Administrative Agent waive compliance by the Loan Parties with the Consolidated Total Debt to Consolidated EBITDA Ratio and Consolidated Interest Coverage Ratio under this Section 8.10.

8.11 Use of Proceeds.

(a) Vista will not, and will not permit any of its Subsidiaries to, use the proceeds of the Loans for any purpose other than as provided in Section 7.11.

(b) No Loan Party shall, and shall procure that its Subsidiaries and its or their respective directors, officers employees and agents shall not directly or indirectly, (i) use any part of the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any Person for the purpose of any party to this Agreement violating Sanctions or (ii) fund all or part of any repayment or prepayment of the Loans out of proceeds derived from any transaction or activity involving a Sanctioned Person or Sanctioned Jurisdiction to the extent such transaction or activity would be prohibited by applicable Sanctions.

(c) No Loan Party shall, and shall procure that its Subsidiaries and its or their respective directors, officers employees, and agents shall not directly or indirectly, use any part of the proceeds of the Loans for the purpose of an offer, payment, promise to pay or authorization of the payment or giving of money, or anything else of value to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in violation by any Loan Party, their respective Subsidiaries or controlled Affiliates of the U.S. Foreign Corrupt Practices Act or the U.K. Bribery Act or in material violation of any other Anti-Corruption Law.

8.12 Reset Date Negative Covenants. Notwithstanding any of the foregoing, each of the Loan Parties covenants and agrees for the benefit of the Lenders that, unless otherwise set forth below, during the period from the Amendment No. 3 Effective Date until the Reset Date (except for item (d) below, which covenant shall remain in place until the Repayment Date):

(a) no Loan Party will, nor will it permit any of its Restricted Subsidiaries to, incur, issue or create any Indebtedness, except: (i) Indebtedness under the Credit Agreement, (ii) Indebtedness under the Peso Credit Agreement, (iii) Capitalized Lease Obligations incurred or created in the ordinary course of business, (iv) Permitted Refinancing Indebtedness, provided that with respect to any Permitted Refinancing Indebtedness refinancing the July 2021 Notes, the proceeds of such Indebtedness if not applied to the prepayment of the July 2021 Notes within five (5) Business Days of receipt thereof will be deposited in an account opened in the name of the Borrower or any other Loan Party in any of the Lenders (or any of their Affiliates), and the daily average balance of such account is, until the maturity date of the July 2021 Notes, at least equal to such proceeds, (v) *cauciones bursátiles* in an amount not to exceed at any time $70,000,000, (vi) intercompany loans between Vista and any Restricted Subsidiary and between any Restricted Subsidiaries; provided that any such intercompany loans extended to a Loan Party that is a Mexican entity shall be deemed subordinated in right of payment to the Lenders, pursuant to the provisions of the *Ley de Concursos Mercantiles*, from the date such Mexican Loan Party is declared in *concurso mercantile*, (vii) Indebtedness governed by a law other than Argentine law incurred, issued or created to refinance Indebtedness outstanding under the Credit Agreement that is due on or prior to July 20, 2021; (viii) Indebtedness incurred to finance capital expenditures in connection with the CS-01 block located in Mexico so long as such block is owned by a Loan Party in an amount not to exceed $15,000,000 in the aggregate at any time, provided that (w) the payment obligations thereunder shall rank *pari passu* in priority of payment with the Indebtedness of the Borrower under this Credit Agreement, (x) the maturity date of such Indebtedness shall be no earlier than the Maturity Date and no amortization, cash sweep or other repayments of principal prior to the Maturity Date may be made or may be provided for under such Indebtedness, (y) the terms of such Indebtedness shall be substantially consistent with the then current market terms in Mexico and (z) that any guarantee under Section 8.4(d) hereto shall be permitted under this covenant and the amount guaranteed thereunder shall be deemed to be zero for purposes of this covenant; (ix) Indebtedness under trade letters of credit, standby letters of credit or performance, bid, surety appeal and similar bonds (including, for the avoidance of doubt, *seguros de caución* and *cauciones reales*) in an amount not to exceed $10,000,000 in the aggregate at any time incurred, issued, created or provided in the ordinary course of business (for the avoidance of doubt, ordinary course of business shall exclude any instrument for purposes of backstopping any non-trade, financial or commercial Indebtedness incurred by any Loan Party); (x) Indebtedness in an aggregate principal amount not to exceed at any time $529,121,

provided that such Indebtedness shall be subject to the same requirements that apply to Indebtedness incurred for purposes of refinancing Indebtedness of the type described under item (b) of the definition of Permitted Refinancing Indebtedness other than the requirements under items (iv) and (v) of the proviso thereto, and provided further that Indebtedness incurred under this item (x) shall be unsecured; and (xiii) additional Indebtedness in an aggregate principal amount not to exceed at any time $30,000,000 in the aggregate;

(b) no Loan Party will, nor will it permit any of its Restricted Subsidiaries to consummate any Asset Disposition permitted by Section 8.3(f); provided that with respect to prepayments with Net Available Proceeds from (x) other Asset Dispositions permitted under Section 8.3 and (y) a Casualty Event, the reference in Section 4.3(a)(i) and (iii) to "365 days" shall be replaced with "180 days";

(c) no Loan Party will, nor will it permit any of its Restricted Subsidiaries to make any Investments otherwise permitted by Section 8.4, other than Investments (i) by Aluvional in any Person involved in the business of extracting, washing, drying, and/or delivering frack sand in an amount not to exceed $5,000,000 in the aggregate, (ii) by any Loan Party or any Restricted Subsidiary in Aluvional in an amount not to exceed $12,000,000 in the aggregate at any time; and (iii) permitted pursuant to Sections 8.4(a), (b), (d), (e), (f), (h), (i), (j), (k), (l) and (m); provided, however, that (y) any Loan Party or any Restricted Subsidiary may only make Investments pursuant to Section 8.4(l) in any Person that shall, after giving effect to such Investment, become a Restricted Subsidiary, and subject to the satisfaction of the conditions set forth in Section 8.4(l), and (z) only a Loan Party may make Investments pursuant to Section 8.4(m) subject to the satisfaction of the conditions set forth in Section 8.4(m); provided that, in the case of clauses (i) and (ii) above, prior to or simultaneously with the making of such Investment, Aluvional shall have become a Guarantor in accordance with Section 7.10(b);

(d) no Loan Party will, nor will it permit any of its Restricted Subsidiaries to make (i) any Restricted Payment otherwise permitted under Section 8.6, other than Restricted Payments to Vista, to any Loan Party and/or any wholly-owned Restricted Subsidiary, (ii) any prepayment, repayment, redemption or repurchase of any Deeply Subordinated Indebtedness otherwise permitted by Section 8.6(c) or (iii) any payments from Unrestricted Proceeds; provided, that in the case of clause (i) above, within forty-five (45) days (or such longer period as may be agreed by the Administrative Agent) following any Restricted Payment to any wholly-owned Restricted Subsidiary that is not a Loan Party (a "Subsidiary Restricted Payment"), such Restricted Subsidiary (or any other wholly-owned Restricted Subsidiary to which a wholly-owned Restricted Subsidiary shall have made a Restricted Payment) shall make a Restricted Payment to any Loan Party in an amount not less than the applicable Subsidiary Restricted Payment. For the avoidance of doubt, (i) it shall be understood that for all purposes under the Credit Agreement, any Unrestricted Proceeds held by any Loan Party or any Restricted Subsidiary as of the Amendment No. 3 Effective Date, shall continue to be Unrestricted Proceeds upon the Reset Date or Repayment Date, as applicable and (ii) Section 8.6 (a)(iii) shall not be applicable;

(e) Vista will not permit the Consolidated Total Debt to Consolidated EBITDA Ratio, (x) as of the last day of any fiscal quarter, beginning with the fiscal quarter ending December 31, 2020 and ending with (and including) the fiscal quarter ending June 30, 2021, to exceed 8.00:1.00 and (y) as of the last day of any fiscal quarter, beginning with the fiscal quarter ending September 30, 2021, to exceed 6.00:1.00; and

(f) no Loan Party will, nor will it permit any of its Restricted Subsidiaries to designate any Unrestricted Subsidiaries.

For the avoidance of doubt, the breach of any covenant in this Section 8.12 shall constitute an Event of Default under clause (a) of Section 9.3.

Section 9. Events of Default. Upon the occurrence of any of the following specified events (each an "Event of Default"):

9.1 Payments. The Borrower shall default in the payment of any principal of or premium, interest or fees on any Loan or any other amount whatsoever payable hereunder or any other Credit Document and, in the case of any amount other than principal, such default shall continue for more than three (3) Business Days; or

9.2 Representations. Any representation, warranty or statement made or deemed made, or any other representation, warranty or statement made or deemed made by or on behalf of any Loan Party herein or in any other Credit Document or in any certificate, document or financial or other statement delivered pursuant hereto or thereto shall prove to be false in any material respect on the date as of which made or deemed made; or

9.3 Covenants. (a) Any Loan Party or any of its Restricted Subsidiaries shall fail to perform or observe any of its obligations under Section 2.4(c), 7.1(d), 7.3, 7.8, or 8, or (b) any Loan Party or any of its Restricted Subsidiaries shall fail to perform or observe any of its obligations (other than those previously referenced in this Section 9.1 and Section 9.3) contained in this Agreement or in any other Credit Document and any such default (if capable of remedy within such period) shall have continued unremedied for a period of thirty (30) days; or

9.4 Default Under Other Agreements. (a) Any Loan Party or any of its Restricted Subsidiaries shall (i) default in any payment of all or any portion of any Material Indebtedness when and as the same shall become due and payable beyond the applicable and documented period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created, or (ii) default in the observance or performance of any other agreement, covenant or condition contained in any agreement or instrument evidencing or governing any Material Indebtedness (after giving effect to any applicable and documented grace period), or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the result of which default or other event or condition, in each case, is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether notice is required), any such Material Indebtedness to become due prior to its stated maturity; or (b) any Material Indebtedness of any Loan Party or any of its Restricted Subsidiaries shall, for reason of any of the foregoing set out in clause (a) of this Section 9.4, be declared to be due and payable, or required to be prepaid or redeemed other than by a regularly scheduled required prepayment or redemption, prior to the stated maturity thereof (after giving effect to any applicable and documented grace period); or

9.5 Judgments. One or more judgments or decrees shall be entered against any Loan Party or any of its Restricted Subsidiaries involving in the aggregate a liability (not paid or fully covered by insurance satisfactory to the Required Lenders) of the equivalent of $20,000,000 or more, and all such judgments or decrees shall not have been vacated, discharged or stayed (whether upon appeal or for any other reason) or bonded pending appeal within thirty (30) days after the entry thereof shall have been served to such Person; or

9.6 Non-Monetary Judgments. One or more non-monetary final and non-appealable judgment or decree shall be entered against any Loan Party or any of its Restricted Subsidiaries which non-monetary judgment or decree could have a Material Adverse Effect; or

9.7 Bankruptcy, etc. (i) Any Loan Party shall have an order for relief entered with respect to it or shall commence a voluntary case under any Debtor Relief Laws now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case, or to the conversion of an

involuntary case to a voluntary case, under any such law, or shall consent to the appointment of or taking possession by a receiver, trustee or other custodian for all or a substantial part of its property; or (ii) any Loan Party shall be unable, or shall fail generally, or shall admit in writing its inability, to pay its debts as such debts become due; or the board of directors (or similar governing body) of any Loan Party shall adopt any resolution or otherwise authorize any action to approve any of the actions referred to herein or in Section 9.8; or

9.8 Proceedings. A proceeding or case shall be commenced, without the application or consent of any Loan Party thereof in any court of competent jurisdiction, seeking (a) liquidation, reorganization, dissolution or winding-up of it, (b) the appointment of a trustee, receiver, custodian, liquidator or the like of it or of all or any substantial part of its property or (c) similar relief in respect of it under any Debtor Relief Law, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of forty-five (45) or more days; or an order for relief against it shall be entered in an involuntary case under any Debtor Relief Law; or

9.9 Governmental Approval. Any Governmental Approval at any time necessary to enable any Loan Party to comply with any of its obligations under the Credit Documents or to carry on its business as being conducted on the date hereof shall be permanently revoked, withdrawn or withheld or shall be modified or amended and any of the foregoing actions could be expected to have a Material Adverse Effect; or

9.10 Credit Documents. This Agreement or any provision of any other Credit Document shall for any reason cease to (a) be in full force and effect or any Loan Party shall so assert or (b) constitute the legal, valid, binding and enforceable obligation of any Loan Party; or

9.11 Cancellation of Payment Obligation. Any Governmental Authority or any other dominant authority asserting or exercising *de jure* or *de facto* governmental or police powers in Argentina in accordance with Argentine Law or in Mexico in accordance with Mexican Law shall, by moratorium Laws or otherwise, cancel, suspend or defer the obligation of any Loan Party to pay any amount required to be paid hereunder or under any other Credit Document; or

9.12 Expropriation Event. An Expropriation Event shall occur with respect to any Loan Party or any Subsidiary, which individually or taken together with any other Expropriation Event, could reasonably be expected to result in a Material Adverse Effect; or

9.13 Environmental Matters. Any Environmental Claim shall have been asserted against any Loan Party or its Restricted Subsidiaries or any violation of Environmental Laws by any Loan Party or its Restricted Subsidiaries shall have occurred which, in any case, could reasonably be expected to have a Material Adverse Effect; or

9.14 Termination, Repudiation or Invalidity of Material Concessions. Any of the Material Concessions:

(a)(x)(i) is terminated by a court of competent jurisdiction or declared by a court of competent jurisdiction to be invalid, illegal or unenforceable and, in each case, such judgment has not been stayed within sixty (60) days or (ii) except as otherwise expressly permitted under the Credit Documents or as a consequence of expiry, ceases to be in full force and effect, including, without limitation, as a result of its termination by the relevant Governmental Authority with or without cause and (y) after giving pro forma effect to such termination or expiration as though such termination or expiration had taken place on the first day of the four consecutive fiscal quarters of Vista most recently ended for which financial statements are available, the Borrower would not be in compliance with Section 8.10; or

(b) any of the Material Concessions (i) is terminated, repudiated or disavowed by a Loan Party or any of the Loan Parties has taken any action to challenge the validity or enforceability of such Material Concession, in each case, without the prior written consent of the Administrative Agent on behalf of the Required Lenders or (ii) (x) is amended or modified, in each case, without the prior written consent of the Administrative Agent on behalf of the Required Lenders and (y) after giving pro forma effect to such amendment or modification as though such amendment or modification had taken place on the first day of the four consecutive fiscal quarters of Vista most recently ended for which financial statements are available, the Borrower would not be in compliance with Section 8.10; provided that, with respect to the pro forma ratios referenced in this Section 9.14, (i) during the Initial Testing Period, such pro forma ratios shall be calculated by reference to the financial results of Vista for the fiscal quarter ended June 30, 2018 and the Consolidated EBITDA shall be deemed to be an amount equal to four (4) times the Consolidated EBITDA of Vista, (ii) for the Test Period ending September 30, 2018, such pro forma ratios shall be calculated by reference to the most recent available financial statement and by adding the Consolidated EBITDA of Vista for the fiscal quarter ending June 30, 2018 to the Consolidated EBITDA of Vista for the most recent available financial statement and multiplying such results by a factor of two (2) and (iii) for the Test Period ending December 31, 2018, such pro forma ratios shall be calculated by reference to the most recent available financial statement and by (x) adding the Consolidated EBITDA of Vista for the fiscal quarter ending June 30, 2018, the Consolidated EBITDA of Vista for the fiscal quarter ending September 30, 2018 and the Consolidated EBITDA of Vista for the most recent available financial statement, (y) dividing such result by nine (9) and (z) multiplying such result by twelve (12);

9.15 Reset Date Events of Default. During the period from the Amendment No. 3 Effective Date until the Reset Date:

(a) any Loan Party or any of its Restricted Subsidiaries shall (i) default in any payment of all or any portion of any (A) Indebtedness under the Peso Credit Agreement irrespective of the aggregate outstanding principal amount thereunder or (B) any other Indebtedness (other than the Loans) in an aggregate outstanding principal amount in excess of $15,000,000, in each case, when and as the same shall become due and payable beyond the applicable and documented period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created or (ii) default in the observance or performance of any other agreement, covenant or condition contained in the Peso Credit Agreement or any agreement or instrument evidencing or governing any other Indebtedness (other than the Loans) in a principal amount in excess of $15,000,000 (after giving effect to any applicable and documented grace period), or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the result of which default or other event or condition, in each case, is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether notice is required), any such Indebtedness to become due prior to its stated maturity; or

(b) one or more judgments or decrees shall be entered against any Loan Party or any of its Restricted Subsidiaries involving in the aggregate a liability (not paid or fully covered by insurance satisfactory to the Required Lenders) of the equivalent of $10,000,000 or more, and all such judgments or decrees shall not have been vacated, discharged or stayed (whether upon appeal or for any other reason) or bonded pending appeal within thirty (30) days after the entry thereof shall have been served to such Person;

then, in any such event, (1) the Administrative Agent may, and shall if so directed by the Required Lenders, by notice to the Borrower, declare the Commitments to be terminated forthwith, whereupon the Commitments shall forthwith terminate or (2) the Administrative Agent may, and shall upon request of the

Required Lenders, by notice to the Borrower declare the principal of and the accrued interest on the Loans and all other amounts whatsoever payable by the Borrower under the Credit Documents (including any amounts payable under Section 2.10 and any other Credit Document) to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by the Borrower; provided that, in the case of an Event of Default of the kinds referred to in Section 9.7 or 9.8 in the case of any Loan Party, the Commitments shall automatically terminate and the Loans and such other amounts shall automatically become due and payable, without any further action by any party.

Section 10. The Agent.

10.1 Authorization and Action. (a) Each Lender hereby appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under this Agreement and the other Credit Documents as are delegated to the Administrative Agent by the terms hereof and thereof. As to any matters not expressly provided for by the Credit Documents (including enforcement or collection of the Obligations), no Administrative Agent shall be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Credit Documents), and such instructions shall be binding upon all Lenders; provided, however, that no Agent shall be required to take any action that exposes the Administrative Agent to personal liability or that is contrary to any Credit Document or applicable Law. The Administrative Agent agrees to give to each Lender prompt notice of each notice given to it by the Borrower pursuant to the terms of this Agreement. The Administrative Agent is authorized and directed to execute and deliver each Credit Document to which it is a party.

(b) The Administrative Agent's duties hereunder and under the other Credit Documents are solely ministerial and administrative in nature and the Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Credit Documents to which it is a party. No Administrative Agent shall be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Credit Documents). No Administrative Agent shall be deemed to have knowledge of any (i) event which would cause the termination of the Commitments under Section 2.6(d) hereof or (ii) Default or of the event or events that give or may give rise to any Default, in each case unless and until the Borrower or any Lender shall have given notice to the Administrative Agent describing such event or events. No Administrative Agent shall be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services.

(c) Notwithstanding anything else to the contrary herein, whenever reference is made in this Agreement, or any other Credit Document, to any discretionary action by, consent, designation, specification, requirement or approval of, notice, request or other communication from, or other direction given or action to be undertaken or to be (or not to be) suffered or omitted by the Administrative Agent or to any election, decision, opinion, acceptance, use of judgment, expression of satisfaction or other exercise of discretion, rights or remedies to be made (or not to be made) by the Administrative Agent, it is understood that in all cases the Administrative Agent shall be fully justified in failing or refusing to take any such action if it shall not have received written instruction, advice or concurrence from the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in any other Credit Document) in respect of such action. No Administrative Agent shall have any liability in such capacity for any failure or delay in taking any actions contemplated above as a result of a failure or delay on the part of the Required Lenders (or other applicable Lenders) to provide such instruction, advice or concurrence.

(d) The Administrative Agent shall in all cases be fully justified in failing or refusing to act at the request or direction of the Required Lenders (or other applicable Lenders permitted hereunder) unless the Administrative Agent shall have been provided adequate security and indemnity against the costs, expenses and liabilities which may be incurred by the Administrative Agent in compliance with such request or direction. No provision of this Agreement or any Credit Document shall require the Administrative Agent to take any action that it reasonably believes to be contrary to applicable Law or to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties thereunder or in the exercise of any of its rights or powers if it shall have reasonable grounds to believe that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

10.2 Agent's Reliance. Neither the Administrative Agent nor any of its respective directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with the Credit Documents, except for its or their own gross negligence, bad faith or willful misconduct. Without limitation of the generality of the foregoing, the Agent: (a) may consult with legal counsel (including counsel for any Loan Party), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts, (b) makes no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations (whether written or oral) made in or in connection with the Credit Documents, (c) shall not have any duty to ascertain or to inquire as to the performance, observance or satisfaction of any of the terms, covenants or conditions of any Credit Document on the part of any Loan Party or the existence at any time of any Default under the Credit Documents or to inspect the property (including the books and records) of any Loan Party, (d) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of, or the perfection or priority of any lien or security interest created or purported to be created under or in connection with, any Credit Document or any other instrument or document furnished pursuant thereto, (e) shall incur no liability under or in respect of any Credit Document by acting upon any notice, consent, certificate or other instrument or writing (which may be by telegram, telecopy or electronic communication) believed by it to be genuine and signed or sent by the proper party or parties and (f) shall have no obligation to independently confirm or verify whether any condition precedent in Section 5 has been satisfied.

10.3 Agent and Affiliates. With respect to its Commitment and the Loans made by it, the Administrative Agent shall have the same rights and powers under this Agreement and, as applicable, shall be subject to the same obligations as any other Lender and may exercise and, as applicable, must comply with the same as though it were not an Administrative Agent; and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated, include the Administrative Agent in its individual capacity as Lender. The Administrative Agent and their respective Affiliates may accept deposits from, lend money to, act as trustee under indentures of, accept investment banking engagements from and generally engage in any kind of business with, any Loan Party, any of its Subsidiaries and any Person who may do business with or own securities of any Loan Party or any such Subsidiary, all as if the Administrative Agent were not an Administrative Agent and without any duty to account therefor to the Lenders. No Administrative Agent shall have any duty to disclose any information obtained or received by it or any of its Affiliates relating to any Loan Party or any of its Subsidiaries to the extent such information was obtained or received in any capacity other than as Administrative Agent.

10.4 Lender Credit Decision. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on the financial statements received and such other documents and information as it has deemed appropriate, made its own credit

analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

10.5 Indemnification. (a) Each Lender severally agrees to indemnify the Administrative Agent (to the extent not reimbursed by the Borrower), ratably according to the respective principal amounts of the Loans then made by each of them (or if no Loans are at the time outstanding, ratably according to the respective amounts of their Commitments or, if no Loans are outstanding and the Commitments have expired or been terminated, such Lender's Commitment most recently in effect), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of the Credit Documents or any action taken or omitted by the Administrative Agent under the Credit Documents (collectively, the "Indemnified Costs"); provided that no Lender shall be liable for any portion of the Indemnified Costs resulting from the Administrative Agent's gross negligence or willful misconduct as found in a final, non-appealable judgment by a court of competent jurisdiction or as documented in any settlement agreement to which the Administrative Agent is a party. Without limitation of the foregoing, each Lender agrees to reimburse the Administrative Agent promptly upon demand for its ratable share of any costs and expenses (including fees and expenses of counsel) payable by the Borrower under Section 12.1, to the extent that the Administrative Agent is not promptly reimbursed for such costs and expenses by the Borrower. In the case of any investigation, litigation or proceeding giving rise to any Indemnified Costs, this Section 10.5 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person.

(b) For purposes of this Section 10.5, each Lender's ratable share of any amount shall be determined, at any time, according to the respective principal amounts of the Loans then made by each of them (or if no Loans are at the time outstanding, ratably according to the respective amounts of their Commitments or, if no Loans are outstanding and the Commitments have expired or been terminated, such Lender's Commitment most recently in effect). The failure of any Lender to reimburse the Administrative Agent promptly upon demand for its ratable share of any amount required to be paid by the Lenders to the Administrative Agent as provided herein shall not relieve any other Lender of its obligation hereunder to reimburse the Administrative Agent for its ratable share of such amount, but no Lender shall be responsible for the failure of any other Lender to reimburse the Administrative Agent for such other Lender's ratable share of such amount. Without prejudice to the survival of any other agreement of any Lender hereunder, the agreement and obligations of each Lender contained in this Section 10.5 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under the other Credit Documents and the resignation or removal of the Administrative Agent.

10.6 Successor Agent. The Administrative Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower and may be removed at any time with or without cause by the Required Lenders; provided that in no event shall any such successor Administrative Agent be a Defaulting Lender. Upon any such resignation or removal, the Required Lenders, shall have the right to appoint a successor Agent. If no successor Agent shall have been so appointed by the Required Lenders, and shall have accepted such appointment, within thirty (30) days after the retiring Agent's giving of notice of resignation or the Required Lenders' removal of the retiring Agent, then the retiring Agent may, on behalf of the Lenders, appoint a successor Agent, which in the case of the Administrative Agent shall be a commercial bank organized under the laws of the United States or of any state thereof and having a combined capital and surplus of at least $250,000,000. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, discretion, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from

its duties and obligations under the Credit Documents. If within 90 (ninety) days after written notice is given of the retiring Administrative Agent's resignation or removal under this Section 10.6 no successor Administrative Agent shall have been appointed and shall have accepted such appointment, then on such day (a) the retiring Administrative Agent's resignation or removal shall become effective, (b) the retiring Administrative Agent shall thereupon be discharged from its duties and obligations under the Credit Documents and (c) the Required Lenders shall thereafter perform all duties of the retiring Administrative Agent under the Credit Documents until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided above. After any retiring Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Section 10 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under the Credit Documents.

If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable Law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

10.7 Jurisdiction. Notwithstanding any other provision herein, nothing herein shall require the Administrative Agent to submit to the jurisdiction of a non-U.S. court or venue in a non-U.S. jurisdiction. The parties hereto may appoint a local Administrative Agent to be directed by the Administrative Agent when and if needed in any non-U.S. jurisdiction.

10.8 No Other Duties. Anything herein to the contrary notwithstanding, none of the Bookrunners, Arrangers, Joint Lead Arrangers or Joint Bookrunners listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Credit Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or an issuing bank hereunder.

Section 11. Notices, Communications, Confidentiality and Treatment of Information.

11.1 Notices.

(a) All notices, demands, requests, consents and other communications provided for in this Agreement shall be given in writing, or by any telecommunication device capable of creating a written record (including electronic mail, provided that in the case of the Administrative Agent, such electronic notice shall be delivered as a ".pdf" attachment), and addressed to the party to be notified as follows:

(i) If to a Loan Party, to it at:

Vista Oil & Gas Argentina S.A.
Avenida del Libertador 101, Piso 12, Torre Sur
1638, Vicente Lopez
Buenos Aires

Attention: Alejandro Cherñacov
Tel: +54 11 3754 8500
Email: achernacov@vistaoilandgas.com

(ii) If to the Administrative Agent, to it at:

Mundostar S.A.
Edificio Aguada Park - Paraguay 2141, 18th floor - C.P. 11.100
Montevideo, Uruguay

Attention: Finance Department
Fax: + (598) 2927 28 60
Email: agent@mundostar.com.uy

(iii) if to any Lender, to it at its address (or fax number or email address) set forth in its Administrative Questionnaire.

or at such other address as shall be notified in writing (x) in the case of a Loan Party and the Administrative Agent, to the other parties and (y) in the case of all other parties, to the Borrower and the Administrative Agent.

(b) Except with respect to the Administrative Agent, all notices, demands, requests, consents and other communications described in clause (a) shall be effective upon receipt or if delivered by posting to an Approved Electronic Platform, an Internet website or a similar telecommunication device requiring that a user have prior access to such Approved Electronic Platform, website or other device (to the extent permitted by Section 11.2 to be delivered thereunder), when such notice, demand, request, consent and other communication shall have been made generally available on such Approved Electronic Platform, Internet website or similar device to the class of Person being notified (regardless of whether any such Person must accomplish, and whether or not any such Person shall have accomplished, any action prior to obtaining access to such items, including registration, disclosure of contact information, compliance with a standard user agreement or undertaking a duty of confidentiality) and such Person has been notified with respect to such posting that a communication has been posted to the Approved Electronic Platform.

(c) Notwithstanding any other provision in this Agreement or any other Credit Document providing for the delivery of any Approved Electronic Communication by any other means, the Borrower shall deliver all Approved Electronic Communications to the Administrative Agent by properly transmitting such Approved Electronic Communications in an electronic/soft medium in a format acceptable to the Administrative Agent to the email address provided by it or such other electronic mail address (or similar means of electronic delivery) as the Administrative Agent may notify to the Borrower. Nothing in this clause (c) shall prejudice the right of the Administrative Agent or any Lender to deliver any Approved Electronic Communication to any Loan Party in any manner authorized in this Agreement or to request that a Loan Party effect delivery in such manner.

11.2 Posting of Approved Electronic Communications.

(a) The Borrower and each Lender hereby acknowledges that the Administrative Agent will make Approved Electronic Communications available to the Lenders by posting the information on IntraLinks or another similar electronic system (the "Approved Electronic Platform"). Each Lender hereunder agrees that any document or notice posted on the Approved Electronic Platform by the Administrative Agent shall be deemed to have been delivered to the Lenders. The Borrower and each Lender further agrees that, to the extent reasonably practicable, any document delivered to the Administrative Agent for purposes of compliance with any provision of this Agreement or for dissemination to any other party hereto shall be delivered to the Administrative Agent in electronic form capable of being posted to the Approved Electronic Platform.

(b) The Borrower and each Lender understands that the distribution of materials and other communications through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution and agrees and assumes the risks associated with such electronic distribution. In no event shall the Administrative Agent or any of its affiliates or any of their respective officers, directors, employees, agents, advisors or representatives have any liability to any party hereto or any other Person for damages of any kind arising out of any transmission of communications through the internet, except to the extent caused by the willful misconduct, bad faith or gross negligence of the Administrative Agent, as determined by a final non-appealable judgment of a court of competent jurisdiction or as documented in any settlement agreement to which such Person is a party.

(c) The Approved Electronic Platform is provided "as is" and "as available". Neither the Administrative Agent, any other Agent nor any of their respective Affiliates warrants the accuracy or completeness of the information contained on the Approved Electronic Platform or the adequacy of the Approved Electronic Platform and each expressly disclaims liability for errors or omissions in the information contained on the Approved Electronic Platform. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects is made by the Administrative Agent, any other Agent or any of their respective Affiliates in connection with the information contained on the Approved Electronic Platform.

11.3 Confidentiality. Each of the Agent and the Lenders and their Affiliates agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Related Parties on a "need to know" basis (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any taxing authority, governmental agency or regulatory authority having jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners) (in which case, the Administrative Agent and such Lenders and their Affiliates (except in connection with any request as part of a regulatory examination), agree to inform the Borrower promptly thereof prior to disclosure, and cooperate with the Borrower in any efforts to obtain a protective order or other assurance of confidential treatment to the extent permitted by law, (c) to the extent required by applicable Laws, rules or regulations or by any subpoena, civil investigative demand or similar demand or order of any court, regulatory authority, or arbitrator or pursuant to an arbitration to which a Lender or an Administrative Agent or an affiliate or an officer, director, employee or shareholder thereof is a party (in which case, the Administrative Agent and such Lenders (except in connection with any request as part of a regulatory examination), agree to inform the Borrower promptly thereof prior to disclosure, and cooperate with the Borrower in any efforts to obtain a protective order or other assurance of confidential treatment to the extent permitted by law, (d) to any other party hereto, (e) in connection with the performance of duties under the Credit Documents, exercise of any remedies hereunder or under any other Credit Document, any action or proceeding relating to this Agreement or any other Credit Document, the enforcement of rights hereunder or thereunder or any litigation or proceeding to which an Administrative Agent or any Lender or any of their respective Affiliates may be a party regarding this Agreement, (f) subject to an agreement containing or incorporating provisions substantially the same as those of this Section 11.3, to (i) any Eligible Assignee of or Participant in, or any bona fide prospective Eligible Assignee of or Participant in, any of its rights or obligations under this Agreement, (ii) any actual or prospective party (or its managers, administrators, trustees, partners, directors, officers, employees, agents, advisors and other representatives), surety, reinsurer, guarantor or credit liquidity enhancer (or their advisors) to or in connection with any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations hereunder or under the other Credit Documents or by reference to this Agreement or payments hereunder or under the other Credit Documents, (iii) any rating agency when required by it or (iv) the CUSIP Service Bureau or any similar organization, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than

as a result of a breach of this Section 11.3 or (ii) is received by the Administrative Agent, any Lender or any of their respective affiliates from a third party that is not to such recipient's knowledge subject to confidentiality obligations to the Borrower or its Subsidiaries. For purposes of this Section 11, "Information" shall mean all information received from the Borrower or any of its Affiliates relating to any of them or any of their respective businesses, other than any such information that is available to the Agent or any Lender on a non-confidential basis prior to disclosure by the Borrower or any of its Affiliates. Any Person required to maintain the confidentiality of Information as provided in this Section 11.3 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

11.4 Treatment of Information.

(a) Certain of the Lenders may enter into this Agreement and take or not take action hereunder or under the other Credit Documents on the basis of information that does not contain material non-public information with respect to the Loan Parties or their securities ("Restricting Information"). Other Lenders may enter into this Agreement and take or not take action hereunder or under the other Credit Documents on the basis of information that may contain Restricting Information. Each Lender acknowledges that United States Federal and state securities laws prohibit any person from purchasing or selling securities on the basis of material, non-public information concerning the issuer of such securities or, subject to certain limited exceptions, from communicating such information to any other Person. Neither the Administrative Agent nor any of its Related Parties shall, by making any Communications (including Restricting Information) available to a Lender, by participating in any conversations or other interactions with a Lender or otherwise, make or be deemed to make any statement with regard to or otherwise warrant that any such information or Communication does or does not contain Restricting Information nor shall the Administrative Agent or any of its Related Parties be responsible or liable in any way for any decision a Lender may make to limit or to not limit its access to Restricting Information. In particular, neither the Administrative Agent nor any of its Related Parties (i) shall have, and the Administrative Agent, on behalf of itself and each of its Related Parties, hereby disclaims, any duty to ascertain or inquire as to whether or not a Lender has or has not limited its access to Restricting Information, such Lender's policies or procedures regarding the safeguarding of material, non-public information or such Lender's compliance with applicable Laws related thereto or (ii) shall have, or incur, any liability to any Loan Party or any Lender or any of their respective Related Parties arising out of or relating to the Administrative Agent or any of its Related Parties providing or not providing Restricting Information to any Lender.

(b) The Borrower agrees that (i) all Communications it provides to the Administrative Agent intended for delivery to the Lenders, whether by posting to the Approved Electronic Platform or otherwise, shall be clearly and conspicuously marked "PUBLIC" if such Communications do not contain Restricting Information which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof, (ii) by marking Communications "PUBLIC" the Borrower shall be deemed to have authorized the Administrative Agent and the Lenders to treat such Communications as either publicly available information or not material information (although, in this latter case, such Communications may contain sensitive business information and, therefore, remain subject to the confidentiality undertakings of Section 11.3) with respect to the Borrower or its securities for purposes of United States Federal and state securities laws, (iii) all Communications marked "PUBLIC" may be delivered to all Lenders and may be made available through a portion of the Approved Electronic Platform designated "Public Side Information", and (iv) the Administrative Agent shall be entitled to treat any Communications that are not marked "PUBLIC" as Restricting Information and may post such Communications to a portion of the Approved Electronic Platform not designated "Public Side Information". Neither the Administrative Agent nor any of its Related Parties shall be responsible for any statement or other designation by the Borrower regarding whether a Communication contains or does not contain material non-public information with respect to the

Borrower or its securities nor shall the Administrative Agent or any of its Related Parties incur any liability to the Borrower, any Lender or any other Person for any action taken by the Administrative Agent or any of its Related Parties based upon such statement or designation, including any action as a result of which Restricting Information is provided to a Lender that may decide not to take access to Restricting Information. Nothing in this Section 11.4 shall modify or limit a Lender's obligations under Section 11.3 with regard to Communications and the maintenance of the confidentiality of or other treatment of Information.

(c) Each Lender acknowledges that circumstances may arise that require it to refer to Communications that might contain Restricting Information. Accordingly, each Lender agrees that it will nominate at least one designee to receive Communications (including Restricting Information) on its behalf and identify such designee (including such designee's contact information) on such Lender's Administrative Questionnaire. Each Lender agrees to notify the Administrative Agent from time to time of such Lender's designee's e-mail address to which notice of the availability of Restricting Information may be sent by electronic transmission.

(d) Each Lender acknowledges that Communications delivered hereunder and under the other Credit Documents may contain Restricting Information and that such Communications are available to all Lenders generally. Each Lender that elects not to take access to Restricting Information does so voluntarily and, by such election, acknowledges and agrees that the Administrative Agent and other Lenders may have access to Restricting Information that is not available to such electing Lender. Neither the Administrative Agent nor any Lender with access to Restricting Information shall have any duty to disclose such Restricting Information to such electing Lender or to use such Restricting Information on behalf of such electing Lender, nor be liable for the failure to so disclose or use, such Restricting Information.

(e) The provisions of the foregoing clauses of this Section 11.4 are designed to assist the Administrative Agent and the Lenders, in complying with their respective contractual obligations and applicable Law in circumstances where certain Lenders express a desire not to receive Restricting Information notwithstanding that certain Communications hereunder or under the other Credit Documents or other information provided to the Lenders hereunder or thereunder may contain Restricting Information. Neither the Administrative Agent nor any of its Related Parties warrants or makes any other statement with respect to the adequacy of such provisions to achieve such purpose nor does the Administrative Agent or any of its Related Parties warrant or make any other statement to the effect that the Borrower's or any Lender's adherence to such provisions will be sufficient to ensure compliance by the Borrower or such Lender with its contractual obligations or its duties under applicable Law with respect to Restricting Information and each of the Lenders and the Borrower assume the risks associated therewith.

Section 12. Miscellaneous.

12.1 Payment of Expenses, etc.

(a) The Borrower shall pay, within twenty (20) Business Days of the A&R Effective Date, all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and the Lenders associated with the preparation, negotiation, execution and delivery of this Agreement (but limited, in the case of such costs and expenses related to counsel to the Administrative Agent and the Lenders, to those of Shearman & Sterling LLP).

(b) The Loan Parties shall pay, within fifteen (15) days of a written demand therefor, (a) all reasonable and documented out-of-pocket expenses incurred by any Indemnified Person (as defined below) associated with the syndication of the facility and the preparation, execution, delivery and administration of the Credit Documents and any amendment and waiver with respect thereto (including the reasonable and documented fees, charges and disbursements of counsel (and, if necessary, local and/or

special counsel), except that any reimbursement obligation to (a) the Lenders shall be limited to (i) one counsel to such Indemnified Persons taken as a whole, (ii) in the case of any conflict of interest, additional counsel to each group of similarly situated Indemnified Persons, limited to one such additional counsel and (iii) if necessary, one local counsel in each relevant jurisdiction and one special counsel in each relevant specialty (and, in the case of any conflict of interest, one additional local counsel and one additional special counsel, as applicable, to each group of similarly situated Indemnified Persons) and (b) an Administrative Agent shall be limited to one counsel and, if necessary, one local counsel in each relevant jurisdiction and one special counsel in each relevant specialty), connection with the preparation, negotiation, execution, delivery and administration of this Agreement and the other Credit Documents, the issuance of offers of Autonomous Promise of Debt from time to time, the making of the Loans or any amendments, modifications or waivers of the provisions hereof or thereof and (b) all documented out-of-pocket expenses incurred by any Indemnified Person in connection with the enforcement of the Credit Documents (including the documented fees, charges and disbursements of counsel (and, if necessary, local and/or special counsel), except that any reimbursement obligation to (a) the Lenders shall be limited to (i) one counsel to such Indemnified Persons taken as a whole, (ii) in the case of any conflict of interest, additional counsel to each group of similarly situated Indemnified Persons, limited to one such additional counsel and (iii) if necessary, one local counsel in each relevant jurisdiction and one special counsel in each relevant specialty (and, in the case of any conflict of interest, one additional local counsel and one additional special counsel, as applicable, to each group of similarly situated Indemnified Persons) and (b) an Administrative Agent shall be limited to one counsel and, if necessary, one local counsel in each relevant jurisdiction and one special counsel in each relevant specialty) in connection with the enforcement or protection of its rights in connection with this Agreement and the other Credit Documents, including its rights under this Section 12.1, or the taking of any action that any Loan Party is required, but has failed, to take under any Credit Document. All costs and expenses of complying with the provisions hereof are for the sole account of the Loan Parties unless explicitly stated herein to be for the account of another Person.

12.2 Indemnity.

(a) General Indemnity. The Loan Parties shall pay, indemnify, and hold the Administrative Agents, the Joint Lead Arrangers, the Lenders, their respective Affiliates and their respective officers, directors, employees, partners, shareholders, agents and advisors (each, an "Indemnified Person") harmless from and against any and all liabilities, losses, damages, claims, costs or expenses, joint or several, of any kind or nature whatsoever (including reasonable and documented fees and disbursements of counsel (and, if necessary, local and/or special counsel)) arising out of any Proceeding, which may at any time be imposed on, incurred by or asserted against any such Indemnified Person in any way relating to or arising directly or indirectly out of this Agreement or any other Credit Document, or the transactions contemplated hereby and thereby, or any action taken or omitted by any such Person under or in connection with any of the foregoing, including with respect to the exercise by any Joint Lead Arranger, Lender or Administrative Agent of any of its rights or remedies under any of the Credit Documents (all the foregoing, collectively, the "Indemnified Liabilities"); provided that the Loan Parties shall have no obligation hereunder (1) to any Indemnified Person with respect to Indemnified Liabilities arising from the gross negligence, bad faith or willful misconduct of such Indemnified Person as determined by a court of competent jurisdiction in a judgment that has become final in that it is no longer subject to appeal or as documented in any settlement agreement to which such Indemnified Person is a party and (2) for any losses, claims, damages, liabilities, costs or expenses that is brought by an Indemnified Person against any other Indemnified Person (other than in connection with any Indemnified Person acting in its capacity as a Joint Lead Arranger, an Administrative Agent or any other agent or co-agent, in each case in their respective capacities as such) which does not arise out of any act or omission of any Loan Party or any of its Subsidiaries. The Loan Parties and the Lenders agree not to assert any claim against any Indemnified Person, on any theory of liability, for consequential, indirect, special or punitive damages arising out of or otherwise relating to this Agreement or any of the other Credit Documents or any of the transactions

contemplated hereby or thereby or the actual or proposed use of the proceeds of the Loans. The Loan Parties shall not be liable for any settlement of any Proceeding (as defined below) effected without its consent (which consent shall not be unreasonably withheld), but if settled with its written consent, or if there is a final non-appealable judgment of a court of competent jurisdiction against an Indemnified Person in any such Proceeding, each Loan Party agrees to indemnify and hold harmless each Indemnified Person in the manner set forth above. The Loan Parties shall not, without the prior written consent of the affected Indemnified Person (which consent shall not be unreasonably withheld), effect any settlement of any pending or threatened Proceeding against such Indemnified Person in respect of which indemnity has been or could have been sought hereunder by such Indemnified Person unless such settlement (i) includes an unconditional release of such Indemnified Person from all liability or claims that are the subject matter of such Proceeding and (ii) does not include any statement as to any admission of fault by or on behalf of such Indemnified Person. This Section 12.2(a) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(b) Survival; Defense. The obligations in this Section 12.2 shall survive payment of the Loans and all other Obligations and the resignation or removal of the Administrative Agent. All amounts owing under this Section 12.2 shall be paid within thirty (30) days after written demand therefor.

(c) Contribution. To the extent that any undertaking in the preceding paragraphs of this Section 12.2 may be unenforceable because it is violative of any Law or public policy, each Loan Party shall contribute the maximum portion that it is permitted to pay and satisfy under applicable Law to the payment and satisfaction of such undertaking.

12.3 Assignment of the Loans.

(a) General. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of clause (b) of this Section 12.3, (ii) by way of participation in accordance with the provisions of clause (d) of this Section 12.3 or (iii) by way of pledge or assignment of a security interest subject to the restrictions of clause (e) of this Section 12.3 (and any other attempted assignment or transfer by any party hereto shall be null and void); provided that nothing in this Section 12.3(a) shall prevent any Lender from hedging its Loan exposure hereunder in accordance with the provisions of clause (f) of this Section 12.3. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in clause (d) of this Section 12.3 and, to the extent expressly contemplated hereby, the respective Affiliates of the Administrative Agent and the Lenders and their respective directors, officers, employees, attorneys and agents) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to an Eligible Assignee all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) upon seven (7) Business Days' prior notice thereof to the Borrower and the Administrative Agent if consent is required under Section 12.3(b)(iii), otherwise upon

three (3) Business Days' prior notice thereof to the Borrower and the Administrative Agent; provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in clause (A) above, the amount of the Commitment (which for this purpose includes the Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than $5,000,000 or integral multiples of $1,000,000 in excess thereof.

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned.

(iii) Required Consents. Each assignment (other than (A) an assignment pursuant to clauses (a) or (b) of the definition of "Eligible Assignee" or (B) upon the occurrence and during the continuance of any Default or Event of Default) shall be subject to the consent of the Borrower (such consent not to be unreasonably withheld, delayed or conditioned it being understood that it shall not be unreasonable to withhold such consent in the event that such assignment would be to a Disqualified Institution); provided that, in each case, in the event that the Borrower has failed to respond to a request for approval within five (5) Business Days, such approval shall be deemed to be granted.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent for each assignment of Loans and Commitments, an Assignment and Assumption, together with a processing and recordation fee of $3,500 and the assignee, if it is not already a Lender, shall deliver to the applicable Administrative Agent an Administrative Questionnaire and any other documents or information, including information related to Taxes all necessary "know your customer" or similar requirement and other information required by bank regulatory authorities in respect of the assignee, requested by the applicable Administrative Agent.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Borrower or any of the Borrower's Affiliates or Subsidiaries, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute a Defaulting Lender or a Subsidiary thereof, (C) Affiliates or (D) prior to the occurrence of any Default or Event of Default, any Disqualified Institution.

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural person.

(vii) Autonomous Promise of Debt. Simultaneously with the delivery of the Autonomous Promise of Debt of any assigning Lender, the Borrower shall execute and deliver, and shall cause each Argentine Guarantor, if any, to execute and deliver, an offer of Autonomous Promise of Debt for the benefit of the assignee in an amount equal to the outstanding amount of the Loan that will be due to such assignee to be accepted by the assignee by means of an acceptance in the form of Exhibit C and which acceptance shall be promptly acknowledged by the Borrower and each Argentine Guarantor, if any, pursuant to an Acknowledgment of Acceptance. In the case of an assignment of solely a portion of the Loan held by the assigning Lender, (i) the Lender shall tender its Autonomous Promise of Debt to the Administrative Agent and (ii) simultaneously with the delivery of the abovementioned Autonomous Promise of Debt, the Borrower shall execute and deliver, and shall cause each Argentine Guarantor, if any,

to execute and deliver, an offer of Autonomous Promise of Debt for the benefit of the assignor and the assignee, in each case in an amount equal to the outstanding amount of the Loan that will be due to such assignor after giving effect to the assignment. In the case of an assignment of all of the Loan held by the assigning Lender, the procedure described above shall also be followed except that no Autonomous Promise of Debt shall be issued to the assigning Lender.

(viii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or sub participations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable *pro rata* share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent and each Lender hereunder (and interest accrued thereon). Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to the acknowledgment and recording thereof by the Administrative Agent pursuant to clause (c) of this Section 12.3, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of the assigning Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 2.9, 2.10, 4.13, 12.1 and 12.2 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided that, except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this clause shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with clause (d) of this Section 12.3.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender, pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in a Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than (i) a natural person, (ii) the Borrower or any of the Borrower's Affiliates or Subsidiaries, or (iii) prior to the occurrence of any Default or Event of Default, any Disqualified Institution (each, a "Participant") in all or a portion of such

Lender's rights or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that would (i) increase or extend the term of such Lender's Commitment, (ii) extend the date fixed for the payment of principal of or interest on the Loans or any portion of any fee hereunder payable to the Participant, (iii) change the currency or reduce the amount of any such payment of principal, interest or fee, or (iv) reduce the rate at which interest is payable thereon to a level below the rate at which the Participant is entitled to receive such interest. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.9, 2.10 and 4.13, in each case, to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 12.3; provided that such Participant (A) agrees to be subject to the provisions of Section 4.14 and subject to replacement in accordance with Section 12.9(b) as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Section 2.9, Section 2.10, Section 4.12 or Section 4.13, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent (1) such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation and (2) the Participant acquired the applicable participation with the consent of the Borrower (such consent not to be unreasonably withheld, delayed or conditioned). Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 12.9(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 4.12(a) as though it were a Lender, provided that such Participant agrees to be subject to Section 4.12(b) as though it were a Lender.

(e) Each Lender that sells a participation shall, acting solely for this purpose as a nonfiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Credit Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participants interest in any commitments, loans, letters of credit or its other obligations under any Credit Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement and any Autonomous Promise of Debt to secure obligations of such Lender, including any pledge or assignment to secure obligations to a central bank, it being understood that no consent of the Borrower shall be required; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) Lender Hedging. Any Lender may at any time hedge its Loan exposure hereunder without restrictions; provided that any assignment or participation executed in connection with any such hedging arrangement shall be subject to the provisions of clause (b) or clause (d) above, as applicable.

12.4 No Waiver; Remedies Cumulative. No failure or delay on the part of the Administrative Agent, Lender or holder of any Autonomous Promise of Debt in exercising any right, power or privilege hereunder or under any other Credit Document and no course of dealing shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or under any other Credit Document preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder or thereunder. The rights, powers and remedies herein or in any other Credit Document expressly provided are cumulative and not exclusive of any rights, powers or remedies which the Administrative Agent, Lender or holder of any Autonomous Promise of Debt would otherwise have. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Administrative Agent, Lender or any holder of any Autonomous Promise of Debt to any other or further action in any circumstances without notice or demand.

12.5 Governing Law; Submission to Jurisdiction; Venue.

(a) This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and be governed by the law of the State of New York. Any legal action or proceeding with respect to this Agreement may be brought in the courts of the State of New York sitting in the City and the County of New York or of the United States for the Southern District of New York, and, by execution and delivery of this Agreement, each of the parties hereto hereby expressly and irrevocably (i) submits for itself and in respect of its property, generally and unconditionally, to the exclusive jurisdiction of the aforesaid courts, and (ii) waives any right to any other jurisdiction to which it may be entitled by reason of its present or future domicile or otherwise. The Borrower on behalf of itself and each other Loan Party hereby irrevocably designates, appoints and empowers C T Corporation System as Process Agent (the "Process Agent"), with an office on the date hereof at 111 Eighth Avenue, New York, NY 10011, as its designee, appointee, agent and true and lawful attorney-in-fact in its name to receive, and forward on behalf of the Borrower or such Loan Party and in respect of its property, service of any and all legal process, summons, notices and documents which may be served in any action or proceeding and agrees to pay such agent's fees for the full term of the facility provided for herein in advance. If for any reason such designee, appointee, agent and attorney-in-fact shall cease to be available to act as such, the Borrower agrees to designate a new designee, appointee, agent and attorney-in-fact in New York on the terms and for the purposes of this provision satisfactory to the Lenders and maintain and continue such designation until the sixth anniversary of the Disbursement Date. The Borrower agrees that the failure of the Process Agent to give any notice of any such service of process to the Borrower, shall not impair or affect the validity of such service or, to the extent permitted by applicable Law, the enforcement of any judgment based thereon. Nothing herein shall affect the right of the Agent, Lender or any holder of any Autonomous Promise of Debt to serve process in any other manner permitted by law.

(b) Each party hereto hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid Proceedings arising out of or in connection with this Agreement or any other Credit Document brought in the courts referred to in clause (a) above and hereby further irrevocably waives and agrees not to plead or claim in any such court that any such Proceeding brought in any such court has been brought in an inconvenient forum, any right it may have to the jurisdiction of any court other than the courts indicated in clause (a) pursuant to applicable Law and further waives any right to which it may be entitled, on account of place of residence or domicile. A final judgment (in respect of which time for all appeals has elapsed) in any such Proceeding shall be conclusive and may be enforced in any court to which the Borrower is or may be subject to the jurisdiction of, by suit upon judgment.

(c) The Borrower agrees, to the extent permitted by applicable Law, that in any legal action or proceeding arising out of or in connection with this Agreement or any other Credit Document (each, a "Proceeding" and collectively, the "Proceedings") anywhere (whether for an injunction, specific performance, damages or otherwise), no immunity (to the extent that it may at any time exist) from those Proceedings, from attachment (whether in aid of execution, before judgment or otherwise), or from judgment shall be claimed by it or on its behalf or with respect to its assets, and to the extent that in any jurisdiction there may be attributed such an immunity (whether or not claimed), the Borrower hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity with respect to its obligations under this Agreement and each other Credit Document to which it is party. The Borrower agrees, to the extent permitted by applicable Law, that it is and its assets are, and shall be, subject to such Proceedings, attachment or execution in respect of its obligations under this Agreement and each other Credit Document to which it is party.

12.6 Obligation to Make Payments in Specified Currency.

(a) The obligation of the Borrower to make payment in Dollars (the "Specified Currency") of the principal of and interest and any other amounts due hereunder as provided herein shall not be discharged or satisfied by any tender, or any recovery pursuant to any judgment, which is expressed in or converted into any currency other than the Specified Currency, except to the extent such tender or recovery shall result in the actual receipt by any Lender or the Administrative Agent of the full amount of the Specified Currency expressed to be payable in respect of the principal of and interest on all other amounts due hereunder. If for the purpose of obtaining or enforcing judgment against the Borrower in any court or in any jurisdiction, it becomes necessary to convert into or from any currency other than the Specified Currency (such other currency being hereinafter referred to as the "Judgment Currency") an amount due in a Specified Currency, the conversion shall be made at the Specified Currency equivalent thereof (at the exchange rate quoted by the Administrative Agent or if it does not quote a rate of exchange on such currency, by a known dealer in such Currency designated by it) determined, in each case, as of the day immediately preceding the day on which the judgment is given (such Business Day being hereinafter referred to as the "Judgment Currency Conversion Date").

(b) If there is a change in the rate of exchange prevailing between the Judgment Currency Conversion Date and the date of actual payment of the amount due, the Borrower covenants and agrees to pay, or cause to be paid, such additional amounts, if any (but in any event not a lesser amount) as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Specified Currency that could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial award at the rate of exchange prevailing on the Judgment Currency Conversion Date.

(c) For purposes of determining the Specified Currency equivalent or any other rate of exchange for this Section 12.6, such amounts shall include any premium and costs payable in connection with the purchase of such Specified Currency.

(d) The Borrower irrevocably and unconditionally waives the right to invoke any defense in relation to its obligations of paying any amounts due in the Specified Currency under the Credit Documents, including without limitation, defenses of impossibility, impracticability or frustration of purpose set forth in Section 1091 of the Argentine Civil and Commercial Code, force majeure or act of God set forth in Sections 955 or 1730 of the Argentine Civil and Commercial Code, impossibility to comply with the obligations set forth in Section 1732 of the Argentine Civil and Commercial Code, or "*onerosidad sobreviniente*", "*lesion enorme*" or "*abuso del derecho*" set forth in Section 10 of the Argentine Civil and Commercial Code.

(e) Furthermore, the Borrower (i) agrees that Article 765 of the Argentine Civil and Commercial Code does not apply to this Agreement, (ii) expressly waives, in accordance with Section 765 of the Argentine Civil and Commercial Code, any right to pay in Pesos any amount due under the Credit Agreement and (iii) agrees it is not entitled to, and otherwise shall be deemed to have irrevocably waived, any right to, discharge its payment obligations under this Agreement in the Specified Currency by delivering the equivalent amount in the lawful currency of Argentina.

12.7 English Language. This Agreement has been executed in the English language. Except in connection with the enforcement thereof in Mexico as may be required by Mexican Law or Argentina as may be required by Argentine law, any non-English translation of this Agreement shall have no legal validity. All documents, certificates, reports or notices to be delivered or communications to be given or made by any party hereto pursuant to the terms of this Agreement (other than any financial statements furnished pursuant to this Agreement) shall be in the English language or, if originally written in another language, shall be accompanied by an accurate English translation upon which the other parties hereto shall have the right to rely for all purposes of this Agreement.

12.8 Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original, but all of which taken together shall constitute a single contract.

12.9 Amendment or Waiver.

(a) Except as otherwise expressly provided in this Agreement, any provision of this Agreement may be modified or supplemented only by an instrument in writing signed by the Borrower and the Required Lenders, or by the Borrower and the Administrative Agent acting with the consent of the Required Lenders, and any provision of this Agreement may be waived by the Required Lenders or by the Administrative Agent acting with the consent of the Required Lenders; provided that no modification, supplement or waiver shall (1) unless by an instrument signed by each Lender directly and adversely affected or by the Administrative Agent acting with the consent of each Lender directly and adversely affected (i) increase or extend the term of the Commitments, (ii) extend the date fixed for the payment of principal of or interest on any Loan or any other fee or other amount hereunder, (iii) reduce or forgive the amount of any such payment of principal, interest or fee or other amount, (iv) reduce the rate at which interest is payable thereon or any fee or other amount is payable hereunder, (v) alter the terms of this Section 12.9, (vi) consent to the assignment or transfer by any Loan Party of any of their respective rights and obligations under this Agreement or any Credit Document unless by an instrument signed by all Lenders or by the Administrative Agent acting with the consent of all Lenders, (vii) change Section 4.9 or 4.13 in a manner that would alter the *pro rata* sharing of payments or setoffs required thereby or any other provision in a manner that would alter the *pro rata* allocation among the Lenders, (viii) release of all or substantially all of the guarantees, or (ix) modify the definition of the term "Required Lenders" or modify in any other manner the number or percentage of the Lenders required to make any determinations or waive any rights hereunder or to modify any provision hereof; provided that any modification or supplement of Section 11 or Section 12.2, or of any of the rights or duties of the Administrative Agent hereunder, shall require the consent of the Administrative Agent; provided further that it is understood and agreed that, for purposes of this Section 12.9(a), none of the following shall constitute a reduction of principal, interest or fee or any other amount: (x) any change to the definitions of "Consolidated Debt to Consolidated EBITDA Ratio" or "Consolidated Interest Coverage Ratio" or to the component definitions of either thereof; (y) any waiver of any increase in the interest rate applicable to any Loan pursuant to Section 2.7(c); or (z) the waiver or amendment of any mandatory prepayment required by Section 4.3.

(b) If any Lender requests compensation under Section 2.9, or if the Borrower is required to pay any Indemnified Taxes or additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 4.13 (but in the case of Section 4.13 only to the extent the

obligation to pay any such Indemnified Taxes or additional amounts results from a Change in Law after the Disbursement Date), or if any Lender is a Defaulting Lender, or if any Lender does not consent to a proposed modification, supplement or waiver with respect to this Agreement that requires the consent of each Lender or the affected Lenders, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 12.3), all of its interests, rights and obligations under this Agreement and any Autonomous Promise of Debt to an Eligible Assignee that shall assume such obligations (which Eligible Assignee may be another Lender, if a Lender accepts such assignment); provided that such assignment or delegation shall be required only if:

(i) the Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 12.3;

(ii) no Event of Default shall have occurred and is continuing;

(iii) such Lender shall have received payment of an amount equal to the aggregate outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder (including any amounts under Section 2.10) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(iv) such assignment or delegation does not conflict with applicable Law;

(v) the circumstances entitling the Borrower to require such assignment and delegation have not ceased to apply;

(vi) in the case such assignment or delegation resulting from a claim for compensation under Section 2.9 or payments required to be made pursuant to Section 4.13, such assignment will result in a reduction in such compensation or payments thereafter; and

(vii) the Administrative Agent shall have completed all necessary "know your customer" or similar requirements and other information required by bank regulatory authorities in respect of the assignee.

(c) Any provision of this Agreement or any other Credit Document may be amended by an agreement in writing entered into by the Borrower and the Administrative Agent to cure any ambiguity, omission, mistake, defect, inconsistency or obvious error.

12.10 Survival. The obligations of the Borrower under Sections 2.9, 2.10, 4.13, 12.1, and 12.2 and the obligations of the Lenders under Sections 4.13 and 10.5(a), shall survive the repayment of the Loans and the termination of the Commitments, the resignation or removal of an Agent and, in the case of any Lender that may assign any interest in its Commitment or Loans hereunder, shall survive, in the case of any event or circumstance that occurred prior to the effective date of such assignment, the making of such assignment, notwithstanding that such assigning Lender may cease to be a "Lender" hereunder. In addition, each representation and warranty made, or deemed to be made by a notice of any Loan, herein or pursuant hereto shall survive the execution and delivery of this Agreement and the other Credit Documents and the making of the Loans hereunder, and shall continue in full force and effect as long as the principal of or interest on any Loan or any fee payable under this Agreement is outstanding and unpaid and so long as the Commitments have not expired or terminated.

12.11 **WAIVER OF JURY TRIAL**. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY

AND ALL RIGHT TO TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER CREDIT DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

12.12 Entire Agreement. This Agreement and the other Credit Documents constitute the entire agreement of the parties hereto with respect to the subject matter hereof, and all prior negotiations, representations, understandings, writings and statements of any nature are hereby superseded in their entirety by the terms of this Agreement and the other Credit Documents.

12.13 Severability. If any provision hereof is found by a court to be invalid or unenforceable, to the fullest extent permitted by applicable Law, the parties agree that such invalidity or unenforceability shall not impair the validity or enforceability of any other provision hereof.

12.14 No Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Credit Document), the Borrower acknowledges and agrees that: (a) (i) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Joint Lead Arrangers and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Joint Lead Arrangers and the Lenders, on the other hand, (ii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate and (iii) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents; (b) (i) the Administrative Agent, the Joint Lead Arrangers and the Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (ii) neither the Administrative Agent, the Joint Lead Arrangers nor any Lender has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Credit Documents; and (c) the Administrative Agent, the Joint Lead Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent, the Joint Lead Arrangers nor any Lender has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Administrative Agent, the Joint Lead Arrangers and the Lenders with respect to any breach or alleged breach of fiduciary duty in connection with any aspect of any transaction contemplated hereby.

12.15 USA PATRIOT Act. The Administrative Agent and each Joint Lead Arranger and Lender subject to the provisions of the USA PATRIOT Act or any other applicable Anti-Money Laundering Laws hereby notifies the Borrower that, pursuant to the requirements of the USA PATRIOT Act and other applicable Anti-Money Laundering Laws, it may be required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of such Loan Party and other information that will allow it to identify such Loan Party in accordance therewith. The Borrower hereby agrees to provide promptly any of the foregoing information that the Administrative Agent, Joint Lead Arranger or Lender may from time to time request in order to comply with the requirements of the USA PATRIOT Act and/or any other applicable Anti-Money Laundering Laws.

12.16 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be

subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

12.17 Translation. The parties hereto agree that the Administrative Agent may at any time request a translation into Spanish of this Agreement for all enforcement purposes.

12.18 International Banking Facility Acknowledgment. The Borrower, a nonbank entity located outside the United States, understands that it is the policy of the Federal Reserve Board that extensions of credit by international banking facilities (as defined in Section 204.8(a) of Regulation D) may be used only to finance the non-U.S. operations of a customer (or its foreign affiliates) located outside the United States as provided in Section 204.8(a)(3)(vi) of Regulation D. Therefore, the Borrower acknowledges that the proceeds of the Loans by the international banking facility of any of the Lenders (as defined in Section 204.8(a) of Regulation D) will be used solely to finance the Borrower's operations outside the United States or that of the Borrower's non-U.S. affiliates.

12.19 Amendment and Restatement.

(a) It is the intention of each of the parties hereto that the Original Credit Agreement be amended and restated in its entirety pursuant to this Agreement. This Agreement does not constitute a novation or termination of any of the Obligations existing under the Original Credit Agreement or any other Credit Document. The parties hereto further acknowledge and agree that this Agreement constitutes an amendment of the Original Credit Agreement made under and in accordance with the terms of Section 12.9 of the Original Credit Agreement. In addition, (a) any Obligations accrued under the Original Credit Agreement prior to the A&R Effective Date shall be due and payable by the Borrower on the Repayment Date to occur after the A&R Effective Date and (b) unless specifically amended hereby or otherwise, each of the Credit Documents (other than, upon the occurrence of the A&R Effective Date, the Original Credit Agreement) shall continue in full force and effect and are hereby ratified, confirmed and reaffirmed, and that, from and after the A&R Effective Date, all references to "Credit Agreement" in the Credit Documents shall be deemed to refer to this Agreement. For the avoidance of doubt, this Agreement shall be binding and enforceable against each Lender and each Loan Party on and from the A&R Effective Date.

(b) Each Loan Party consents to the provisions of this Agreement including the amount of the Loans as of the A&R Effective Date. Each Loan Party confirms that each Credit Document to which it is a party continues in full force and effect and that the Obligations thereunder extend to include all obligations and liabilities of the relevant Loan Parties owed to the Administrative Agent (acting on behalf of the Lenders) under this Agreement and the other Credit Documents as of the A&R Effective Date.

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Schedule 2.1

Commitments

I. Floating Rate Loan Commitments	
Itaú Unibanco S.A., Nassau Branch	$ 75,000,000
Citibank, N.A. (acting through its International Banking Facilities)	$ 75,000,000
Total	$150,000,000

II. Fixed Rate Loan Commitments	
Banco de Galicia y Buenos Aires S.A.U.	$ 75,000,000
Banco Santander Río S.A.	$ 75,000,000
Total	$150,000,000

Schedule 4.1

Amortization (Citibank, N.A.)

	Scheduled Repayment Dates	*Principal Amortization Amounts (US$)*
1	January 20, 2020	$ 3,750,000
2	July 20, 2020	$ 2,250,000
3	January 20, 2021	8,250,000
4	July 20, 2021	$ 11,250,000
5	January 20, 2022	$ 12,750,000
6	July 20, 2022	$ 14,250,000
7	January 20, 2023	$ 11,250,000
8	July 20, 2023	$ 11,250,000

Exhibit 8.1

List of Subsidiaries of Vista Oil & Gas, S.A.B de C.V.

Subsidiary	Jurisdiction of incorporation	Name under which the subsidiary does business
Vista Oil & Gas Argentina S.A.U.	Argentina	Vista Argentina
Vista Oil & Gas Holding I, S.A. de C.V.	Mexico	Vista Holding I
Vista Oil & Gas Holding II, S.A. de C.V.	Mexico	Vista Holding II
Aleph Midstream S.A.	Argentina	Aleph Midstream
Aluvional Logística S.A.	Argentina	Aluvional

Exhibit 12.1

CERTIFICATION

I, Miguel Galuccio, certify that:

1. I have reviewed this annual report on Form 20-F of Vista Oil & Gas, S.A.B. de C.V.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 28, 2021

By: /s/ Miguel Galuccio
Name: Miguel Galuccio
Title: Chief Executive Officer

Exhibit 12.2

CERTIFICATION

I, Pablo Manuel Vera Pinto, certify that:

1. I have reviewed this annual report on Form 20-F of Vista Oil & Gas, S.A.B. de C.V.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 28, 2021

By: /s/ Pablo Manuel Vera Pinto
Name: Pablo Manuel Vera Pinto
Title: Chief Financial Officer

Exhibit 13.1

Certification by CEO and CFO pursuant to Section 1350, as adapted pursuant to Section 906 of the Sarbanes – Oxley Act of 2002

The certification set forth below is being furnished to the Securities and Exchange Commission, in connection with Vista Oil & Gas, S.A.B. de C.V.'s Annual Report on Form 20-F for the year ended December 31, 2020 (the "Annual Report") solely for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code as adapted pursuant to Section 906 of the Sarbanes – Oxley Act of 2002.

Miguel Galuccio, the Chief Executive Officer and Pablo Manuel Vera Pinto, the Chief Financial Officer of Vista Oil & Gas, S.A.B. de C.V. each certifies that, to the best of their knowledge:

1. the Annual Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of Vista Oil & Gas, S.A.B. de C.V.

Date: April 28, 2021

By: /s/ Miguel Galuccio
Name: Miguel Galuccio
Title: Chief Executive Officer

By: /s/ Pablo Manuel Vera Pinto
Name: Pablo Manuel Vera Pinto
Title: Chief Financial Officer

Exhibit 15.1

DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244

April 28, 2021

Vista Oil & Gas, S.A.B. de C.V.
Calle Volcán 150, Floor 5
Colonia Lomas de Chapultepec, Alcaldía Miguel Hidalgo
Mexico City, 11000
Mexico

Ladies and Gentlemen:

We hereby consent to the references to DeGolyer and MacNaughton as set forth under the headings "Presentation of Information–Presentation of Oil and Gas Information," "Risk Factors–Risks Related to our Business and Industry," "Item 4. Information on the Company," and "Item 19. Exhibits" in the Annual Report on Form 20-F of Vista Oil & Gas, S.A.B. de C.V. (Vista) for the year ended December 31, 2020 (the Annual Report). We further consent to the inclusion of our report of third party dated February 1, 2021 (our Report), as Exhibit No. 99.1 in the Annual Report. Our Report contains our opinions regarding our estimates, as of December 31, 2020, of the net proved oil, condensate, natural gas liquids, and gas reserves of certain properties in Argentina in which Vista has represented it holds an interest.

We confirm that we have read the Annual Report and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from our Report or that are within our knowledge as a result of the services performed by us in connection with the preparation of our Report.

Very truly yours,

/s/ DeGolyer and MacNaughton
DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

Exhibit 15.2

NETHERLAND, SEWELL
INTERNATIONAL, S. de R.L. de C.V.

CONSENT OF INDEPENDENT PETROLEUM ENGINEERS AND GEOLOGISTS

We hereby consent to the inclusion in this Form 20-F by Vista Oil & Gas Holding II S.A. de C.V. (the "Company") for the year ended December 31, 2020, of our report dated February 5, 2021, with respect to the estimates of reserves and future net revenue of the Company as of December 31, 2020, and to all references to our firm included in this Form 20-F with the provision that we accept responsibility only to the extent provided in the engagement agreement dated December 20, 2018, between the Company and us.

NETHERLAND, SEWELL INTERNATIONAL, S. DE R.L. DE C.V.

By: /s/ Robert C. Barg
Robert C. Barg, P.E.
President

Dallas, Texas
April 20, 2021

Exhibit 99.1

DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244

February 1, 2021

Vista Oil & Gas S.A.B. de C.V.
Calle Volcán 150, Piso 5
Colonia Lomas de Chapultepec, Alcaldía Miguel Hidalgo
Mexico City, 1100
Mexico

Ladies and Gentlemen:

Pursuant to your request, this report of third party presents an independent evaluation, as of December 31, 2020, of the extent of the estimated net proved oil, condensate, natural gas liquids (NGL), and gas reserves of certain properties in which Vista Oil & Gas S.A.B. de C.V. (Vista) has represented it holds an interest. This evaluation was completed on February 1, 2021. The properties evaluated herein are located in the Neuquén Basin and the Noroeste Basin in Argentina. Vista has represented that these properties account for approximately 99.8 percent on a net equivalent barrel basis of Vista's net proved reserves as of December 31, 2020. The net proved reserves estimates have been prepared in accordance with the reserves definitions of Rules 4–10(a) (1)–(32) of Regulation S–X of the United States Securities and Exchange Commission (SEC). This report was prepared in accordance with guidelines specified in Item 1202 (a)(8) of Regulation S–K and is to be used for inclusion in certain SEC filings by Vista.

Reserves estimates included herein are expressed as net reserves. Gross reserves are defined as the total estimated petroleum remaining to be produced from these properties after December 31, 2020. Net reserves are defined as that portion of the gross reserves attributable to the interests held by Vista after deducting all interests held by others.

Estimates of reserves should be regarded only as estimates that may change as further production history and additional information become available. Not only are such estimates based on that information which is currently available, but such estimates are also subject to the uncertainties inherent in the application of judgmental factors in interpreting such information.

Information used in the preparation of this report was obtained from Vista. In the preparation of this report we have relied, without independent verification, upon information furnished by Vista with respect to the property interests being evaluated, production from such properties, current costs of operation and development, current prices for production, agreements relating to current and future operations and sale of production, and various other information and data that were accepted as represented. A field examination was not considered necessary for the purposes of this report.

Definition of Reserves

Petroleum reserves estimated in this report are classified as proved. Only proved reserves have been evaluated for this report. Reserves classifications used by us in this report are in accordance with the reserves definitions of Rules 4–10(a)(1)–(32) of Regulation S–X of the SEC. Reserves are judged to be economically producible in future years from known reservoirs under existing economic and operating conditions and assuming continuation of current regulatory practices using conventional production methods and equipment. In the analyses of production-decline curves, reserves were estimated only to the limit of economic rates of production under existing economic and operating conditions using prices and costs consistent with the effective date of this report, including consideration of changes in existing prices provided only by contractual arrangements but not including escalations based upon future conditions. The petroleum reserves are classified as follows:

Proved oil and gas reserves – Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

(i) The area of the reservoir considered as proved includes:

(A) The area identified by drilling and limited by fluid contacts, if any, and (B) Adjacent undrilled portions of the reservoir that can, with reasonable certainty, be judged to be continuous with it and to contain economically producible oil or gas on the basis of available geoscience and engineering data.

(ii) In the absence of data on fluid contacts, proved quantities in a reservoir are limited by the lowest known hydrocarbons (LKH) as seen in a well penetration unless geoscience, engineering, or performance data and reliable technology establishes a lower contact with reasonable certainty.

(iii) Where direct observation from well penetrations has defined a highest known oil (HKO) elevation and the potential exists for an associated gas cap, proved oil reserves may be assigned in the structurally higher portions of the reservoir only if geoscience, engineering, or performance data and reliable technology establish the higher contact with reasonable certainty.

(iv) Reserves which can be produced economically through application of improved recovery techniques (including, but not limited to, fluid injection) are included in the proved classification when:

(A) Successful testing by a pilot project in an area of the reservoir with properties no more favorable than in the reservoir as a whole, the operation of an installed program in the reservoir or an analogous reservoir, or other evidence using reliable technology establishes the reasonable certainty of the engineering analysis on which the project or program was based; and (B) The project has been approved for development by all necessary parties and entities, including governmental entities.

(v) Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price shall be the average price during the

12-month period prior to the ending date of the period covered by the report, determined as an unweighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions.

Developed oil and gas reserves – Developed oil and gas reserves are reserves of any category that can be expected to be recovered:

(i) Through existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well; and

(ii) Through installed extraction equipment and infrastructure operational at the time of the reserves estimate if the extraction is by means not involving a well.

Undeveloped oil and gas reserves – Undeveloped oil and gas reserves are reserves of any category that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion.

(i) Reserves on undrilled acreage shall be limited to those directly offsetting development spacing areas that are reasonably certain of production when drilled, unless evidence using reliable technology exists that establishes reasonable certainty of economic producibility at greater distances.

(ii) Undrilled locations can be classified as having undeveloped reserves only if a development plan has been adopted indicating that they are scheduled to be drilled within five years, unless the specific circumstances justify a longer time.

(iii) Under no circumstances shall estimates for undeveloped reserves be attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual projects in the same reservoir or an analogous reservoir, as defined in [section 210.4–10 (a) Definitions], or by other evidence using reliable technology establishing reasonable certainty.

Methodology and Procedures

Estimates of reserves were prepared by the use of appropriate geologic, petroleum engineering, and evaluation principles and techniques that are in accordance with the reserves definitions of Rules 4–10(a) (1)–(32) of Regulation S–X of the SEC and with practices generally recognized by the petroleum industry as presented in the publication of the Society of Petroleum Engineers entitled "Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information (revised June 2019) Approved by the SPE Board on 25 June 2019" and in Monograph 3 and Monograph 4 published by the Society of Petroleum Evaluation Engineers. The method or combination of methods used in the analysis of each reservoir was tempered by experience with similar reservoirs, stage of development, quality and completeness of basic data, and production history.

Based on the current stage of field development, production performance, the development plans provided by Vista, and analyses of areas offsetting existing wells with test or production data, reserves were classified as proved. The proved undeveloped reserves estimates were based on opportunities identified in the plan of development provided by Vista.

Vista has represented that its senior management is committed to the development plan provided by Vista and that Vista has the financial capability to execute the development plan, including the drilling and completion of wells and the installation of equipment and facilities.

For depletion-type reservoirs or those whose performance disclosed a reliable decline in producing-rate trends or other diagnostic characteristics, reserves were estimated by the application of appropriate decline curves or other performance relationships. In the analyses of production-decline curves, reserves were estimated only to the limits of economic production as defined under the Definition of Reserves heading of this report or the expiration of the concession, as appropriate.

In certain cases, reserves were estimated by incorporating elements of analogy with similar wells or reservoirs for which more complete data were available.

In the evaluation of undeveloped reserves, type-well analysis was performed using well data from analogous reservoirs for which more complete historical performance data were available.

For the evaluation of unconventional reservoirs, a performance-based methodology integrating the appropriate geology and petroleum engineering data was utilized for this report. Performance-based methodology primarily includes (1) production diagnostics, (2) decline-curve analysis, and (3) model-based analysis (if necessary, based on availability of data). Production diagnostics include data quality control, identification of flow regimes, and characteristic well performance behavior. These analyses were performed for all well groupings (or type-curve areas).

Characteristic rate-decline profiles from diagnostic interpretation were translated to modified hyperbolic rate profiles, including one or multiple b-exponent values followed by an exponential decline. Based on the availability of data, model-based analysis may be integrated to evaluate long-term decline behavior, the effect of dynamic reservoir and fracture parameters on well performance, and complex situations sourced by the nature of unconventional reservoirs.

Data provided by Vista from wells drilled through December 31, 2020, and made available for this evaluation were used to prepare the reserves estimates herein. These reserves estimates were based on consideration of monthly production data available for certain properties only through September 2020. Estimated cumulative production, as of December 31, 2020, was deducted from the estimated gross ultimate recovery to estimate gross reserves. This required that production be estimated for 3 months.

Oil and condensate reserves estimated herein are to be recovered by normal field separation. NGL reserves estimated herein include pentanes and heavier fractions (C_{5+}) and liquefied petroleum gas (LPG), which consists primarily of propane and butane fractions, and are the result of low-temperature plant processing. Oil, condensate, C_{5+}, and LPG reserves included herein are expressed in thousands of barrels (10^3bbl). In these estimates, 1 barrel equals 42 United States gallons. For reporting purposes, oil and condensate reserves have been estimated separately and are presented herein as a summed quantity.

Gas quantities estimated herein are expressed as marketable gas and sales gas. Marketable gas is defined as the total gas produced from the reservoir after reduction for shrinkage resulting from field separation; processing, including removal

of the nonhydrocarbon gas to meet pipeline specifications; and flare and other losses but not from fuel usage. Sales gas is defined as the total gas to be produced from the reservoirs, measured at the point of delivery, after reduction for fuel usage, flare, and shrinkage resulting from field separation and processing. Gas reserves estimated herein are reported as marketable gas and sales gas. Gas quantities are expressed at a temperature base of 60 degrees Fahrenheit (°F) and at a pressure base of 14.696 pounds per square inch absolute (psia). Gas quantities included in this report are expressed in millions of cubic feet ($10^6 ft^3$).

Gas quantities are identified by the type of reservoir from which the gas will be produced. Nonassociated gas is gas at initial reservoir conditions with no oil present in the reservoir. Associated gas is both gas-cap gas and solution gas. Gas-cap gas is gas at initial reservoir conditions and is in communication with an underlying oil zone. Solution gas is gas dissolved in oil at initial reservoir conditions. Gas quantities estimated herein include both associated and nonassociated gas.

Primary Economic Assumptions

This report has been prepared using initial prices, expenses, and costs provided by Vista in United States dollars (U.S.$). Future prices were estimated using guidelines established by the SEC and the Financial Accounting Standards Board (FASB). The following economic assumptions were used for estimating the reserves reported herein:

Oil, Condensate, C_{5+}, and LPG Prices

Vista has represented that the oil, condensate, C_{5+}, and LPG prices were based on a reference price, calculated as the unweighted arithmetic average of the first-day-of-the-month price for each month within the 12-month period prior to the end of the reporting period, unless prices are defined by contractual agreements. Vista supplied differentials to a Brent reference price of U.S.$43.43 per barrel and the prices were held constant thereafter. The volume-weighted average adjusted product prices attributable to the estimated proved reserves were U.S.$41.97 per barrel of oil, condensate, and C_{5+} and U.S.$19.16 per barrel for LPG. These prices were not escalated for inflation.

Gas Prices

Vista has represented that the gas prices for the properties evaluated herein are defined by contractual agreements based on specific market conditions; in addition, for certain volumes of gas Vista is paid an incentive gas price that is subsidized by the Argentine government through 2024. The incentive gas sales price is U.S.$3.29 per million Btu for 2021 through 2024. The gas sales price for all other volumes and for 2025 forward is U.S.$2.03 per million Btu. Vista provided a calorific value for each concession to convert these prices to U.S.$ per thousand cubic feet. The volume-weighted average adjusted gas price attributable to estimated proved reserves was U.S.$2.81 per thousand cubic feet.

Operating Expenses, Capital Costs, and Abandonment Costs

Estimates of operating expenses, provided by Vista and based on current expenses, were held constant for the lives of the properties. Future capital expenditures, provided by Vista, were estimated using 2020 values and were not adjusted for inflation. Abandonment costs, which are those costs associated with the removal of equipment, plugging of wells, and reclamation and restoration associated with the abandonment, were provided by Vista for all properties and were not adjusted for inflation. Operating expenses, capital costs, and abandonment costs were considered in determining the economic viability of the undeveloped reserves estimated herein.

In our opinion, the information relating to estimated proved reserves of oil, condensate, C_{5+}, LPG, and gas contained in this report has been prepared in accordance with Paragraphs 932-235-50-4, 932-235-50-6, 932-235-50-7, and 932-235-50-9 of the Accounting Standards Update 932-235-50, *Extractive Industries – Oil and Gas (Topic 932): Oil and Gas Reserve Estimation and Disclosures* (January 2010) of the FASB and Rules 4–10(a) (1)–(32) of Regulation S–X and Rules 302(b), 1201, 1202(a) (1), (2), (3), (4), (8), and 1203(a) of Regulation S–K of the SEC; provided, however, that estimates of proved developed and proved undeveloped reserves are not presented at the beginning of the year.

To the extent the above-enumerated rules, regulations, and statements require determinations of an accounting or legal nature, we, as engineers, are necessarily unable to express an opinion as to whether the above-described information is in accordance therewith or sufficient therefor.

Summary of Conclusions

The estimated net proved reserves, as of December 31, 2020, of the properties evaluated herein were based on the definition of proved reserves of the SEC and are summarized as follows, expressed in thousands of barrels (10^3bbl) and millions of cubic feet (10^6ft^3):

	Estimated by DeGolyer and MacNaughton Net Proved Reserves as of December 31, 2020				
	Oil and Condensate (10^3bbl)	Marketable Gas (10^6ft^3)	Sales Gas (10^6ft^3)	C_{5+} (10^3bbl)	LPG (10^3bbl)
Argentina					
Proved Developed	36,473	86,128	66,802	304	863
Proved Undeveloped	61,795	73,845	67,911	0	0
Total Proved	**98,268**	**159,973**	**134,713**	**304**	**863**

While the oil and gas industry may be subject to regulatory changes from time to time that could affect an industry participant's ability to recover its reserves, we are not aware of any such governmental actions which would restrict the recovery of the December 31, 2020, estimated reserves.

DeGolyer and MacNaughton

DeGolyer and MacNaughton is an independent petroleum engineering consulting firm that has been providing petroleum consulting services throughout the world since 1936. DeGolyer and MacNaughton does not have any financial interest, including stock ownership, in Vista. Our fees were not contingent on the results of our evaluation. This report has been prepared at the request of Vista. DeGolyer and MacNaughton has used all assumptions, data, procedures, and methods that it considers necessary and appropriate to prepare this report.

Submitted,

/s/ DeGolyer and MacNaughton

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

[SEAL]

/s/ Federico Dordoni

Federico Dordoni, P.E.
Senior Vice President
DeGolyer and MacNaughton

DeGolyer and MacNaughton

CERTIFICATE of QUALIFICATION

I, Federico Dordoni, Petroleum Engineer with DeGolyer and MacNaughton, 5001 Spring Valley Road, Suite 800 East, Dallas, Texas, 75244 U.S.A., hereby certify:

1. That I am a Senior Vice President with DeGolyer and MacNaughton, which firm did prepare the report of third party addressed to Vista datedFebruary 1, 2021, and that I, as Senior Vice President, was responsible for the preparation of this report of third party.

2. That I attended Buenos Aires Institute of Technology (ITBA) University, and that I graduated with a degree in Petroleum Engineering in the year 2004; that I am a Registered Professional Engineer in the State of Texas; that I am a member of the Society of Petroleum Engineers and the Society of Petroleum Evaluation Engineers; and that I have in excess of 16 years of experience in oil and gas reservoir studies and reserves evaluations.

/s/ Federico Dordoni

[SEAL]

Federico Dordoni, P.E.
Senior Vice President
DeGolyer and MacNaughton

Exhibit 99.2

NETHERLAND, SEWELL
INTERNATIONAL, S. de R.L. de C.V.
WORLDWIDE PETROLEUM CONSULTANTS
ENGINEERING • GEOLOGY • GEOPHYSICS • PETROPHYSICS

February 5, 2021

Mr. Alex García
Vista Oil & Gas Holding II S.A. de C.V.
Volcán 150, Torre Virreyes, Piso 5
Col. Lomas de Chapultepec, C.P. 11000
Del. Miguel Hidalgo, Ciudad de México, México

Dear Mr. García:

In accordance with your request, we have estimated the proved developed reserves and future revenue, as of December 31, 2020, to the Vista Oil & Gas Holding II S.A. de C.V. (Vista II), a subsidiary of Vista Oil & Gas S.A.B. de C.V., interest in certain oil and gas properties located in Blocks A-10 and CS-01 in the state of Tabasco, Mexico. We completed our evaluation on or about the date of this letter. It is our understanding that the proved reserves estimated in this report constitute all of the proved reserves owned by Vista II. Vista II is operating these assets under a transitional development period that expires on April 11, 2021; it is our understanding that Vista II is actively working with the Comisión Nacional de Hidrocarburos (CNH) through all appropriate protocols to enter into the long-term exploration and exploitation period, which is expected to be granted. The estimates in this report have been prepared in accordance with the definitions and regulations of the U.S. Securities and Exchange Commission (SEC) and, with the exception of the exclusion of future income taxes, conform to the FASB Accounting Standards Codification Topic 932, Extractive Activities—Oil and Gas. Additionally, these estimates conform to the guidelines of the CNH and the standards of the Comisión Nacional Bancaria y de Valores (CNBV). Definitions are presented immediately following this letter. This report has been prepared for Vista II's use in filing with the SEC; in our opinion the assumptions, data, methods, and procedures used in the preparation of this report are appropriate for such purpose.

We estimate the net reserves and future net revenue to the Vista II interest in these properties, as of December 31, 2020, to be:

	Net Reserves[1]		Future Net Revenue (M$)	
Category	Oil (MBBL)	Gas (MMCF)	Total	Present Worth at 10%
Proved Developed Producing	44.9	681.7	-51.9[2]	497.0
Proved Developed Non-Producing	119.0	56.8	1,067.3	701.2
Total Proved Developed	163.9	738.5	1,015.4	1,198.2

(1) Net reserves do not include royalty volumes.
(2) Future net revenue is negative after deducting estimated abandonment costs.

The oil volumes shown include crude oil and condensate. Oil volumes are expressed in thousands of barrels (MBBL); a barrel is equivalent to 42 United States gallons. Gas volumes are expressed in millions of cubic feet (MMCF) at standard temperature and pressure bases.

Reserves categorization conveys the relative degree of certainty; reserves subcategorization is based on development and production status. As required by CNBV standards, we have limited our evaluation to the provisional development plan approved by the CNH; as such, we have not considered proved reserves that may be attributed to undeveloped locations because the full development plan has not yet received final approval from the CNH. As requested, probable and possible reserves that may exist for these properties have not been included.

The estimates of reserves and future revenue included herein have not been adjusted for risk. This report does not include any value that could be attributed to interests in undeveloped acreage.

Estimates of net oil and gas reserves shown in this report are based on a price-related sliding scale royalty system. Net reserves do not include royalty volumes because the government of Mexico can elect to take these volumes in kind. Gross revenue is Vista II's share of the gross (100 percent) revenue from the properties prior to any deductions. Future net revenue is after deductions for Vista II's share of capital costs, abandonment costs, and operating expenses but before consideration of any income taxes. The future net revenue has been discounted at an annual rate of 10 percent to determine its present worth, which is shown to indicate the effect of time on the value of money. Future net revenue presented in this report, whether discounted or undiscounted, should not be construed as being the fair market value of the properties.

Prices used in this report are based on the 12-month unweighted arithmetic average of the first-day-of-the-month price for each month in the period January through December 2020. For oil volumes, the average West Texas Intermediate spot price of $39.54 per barrel is adjusted for quality, tariffs, and market differentials. For gas volumes, the average Henry Hub spot price of $1.985 per MMBTU is adjusted by field for energy content, tariffs, and market differentials. All prices are held constant throughout the lives of the properties. The average adjusted product prices weighted by production over the remaining lives of the properties are $33.38 per barrel of oil and $1.927 per MCF of gas.

Operating costs used in this report are based on operating expense records of Vista II. These costs are limited to direct lease- and field-level costs and the operator's estimate of the portion of its headquarters general and administrative overhead expenses necessary to maintain and service existing wells and facilities. Operating costs have been divided into field-level costs, per-well costs, and per-unit-of-production costs. Headquarters general and administrative overhead expenses of Vista II are not included. Operating costs are not escalated for inflation.

Capital costs used in this report were provided by Vista II and are based on authorizations for expenditure and actual costs from recent activity. Capital costs are included as required for workovers. Based on our understanding of future development plans, a review of the records provided to us, and our knowledge of similar properties, we regard these estimated capital costs to be reasonable. Abandonment costs used in this report are Vista II's estimates of the costs to abandon the wells, net of any salvage value. Capital costs and abandonment costs are not escalated for inflation.

For the purposes of this report, we did not perform any field inspection of the properties, nor did we examine the mechanical operation or condition of the wells and facilities. We have not investigated possible environmental liability related to the properties; therefore, our estimates do not include any costs due to such possible liability.

We have made no investigation of potential volume and value imbalances resulting from overdelivery or underdelivery to the Vista II interest. Therefore, our estimates of reserves and future revenue do not include adjustments for the settlement of any such imbalances; our projections are based on Vista II receiving its net revenue interest share of estimated future gross production. Additionally, we have made no specific investigation of any firm transportation contracts that may be in place for these properties; our estimates of future revenue include the effects of such contracts only to the extent that the associated fees are accounted for in the historical field- and lease-level accounting statements.

The reserves shown in this report are estimates only and should not be construed as exact quantities. Proved reserves are those quantities of oil and gas which, by analysis of engineering and geoscience data, can be estimated with reasonable certainty to be economically producible; probable and possible reserves are those additional reserves which are sequentially less certain to be recovered than proved reserves. Estimates of reserves may increase or decrease as a result of market conditions, future operations, changes in regulations, or actual reservoir performance. In addition to the primary economic assumptions discussed herein, our estimates are based on certain assumptions including, but not limited to, that the properties will be developed consistent with current development plans as provided to us by Vista II, that the properties will be operated in a prudent manner, that no

governmental regulations or controls will be put in place that would impact the ability of the interest owner to recover the reserves, and that our projections of future production will prove consistent with actual performance. If the reserves are recovered, the revenues therefrom and the costs related thereto could be more or less than the estimated amounts. Because of governmental policies and uncertainties of supply and demand, the sales rates, prices received for the reserves, and costs incurred in recovering such reserves may vary from assumptions made while preparing this report.

For the purposes of this report, we used technical and economic data including, but not limited to, well logs, geologic maps, seismic data, well test data, production data, historical price and cost information, and property ownership interests. The reserves in this report have been estimated using deterministic methods; these estimates have been prepared in accordance with the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers (SPE Standards). We used standard engineering and geoscience methods, or a combination of methods, including performance analysis, volumetric analysis, and analogy, that we considered to be appropriate and necessary to categorize and estimate reserves in accordance with the SEC definitions and regulations and the CNH guidelines. As in all aspects of oil and gas evaluation, there are uncertainties inherent in the interpretation of engineering and geoscience data; therefore, our conclusions necessarily represent only informed professional judgment.

The data used in our estimates were obtained from Vista II, public data sources, and the nonconfidential files of Netherland, Sewell International, S. de R.L. de C.V. (NSI) and were accepted as accurate. Supporting work data are on file in our office. We have not examined the contractual rights to the properties or independently confirmed the actual degree or type of interest owned. The technical persons primarily responsible for preparing the estimates presented herein meet the requirements regarding qualifications, independence, objectivity, and confidentiality set forth in the SPE Standards. Joseph M. Wolfe, a Licensed Professional Engineer in the State of Texas, has been practicing consulting petroleum engineering at Netherland, Sewell & Associates, Inc. (NSAI), of which NSI is a subsidiary, since 2013 and has over 5 years of prior industry experience. Philip R. Hodgson, a Licensed Professional Geoscientist in the State of Texas, has been practicing consulting petroleum geoscience at NSAI since 1998 and has over 14 years of prior industry experience. We are independent petroleum engineers, geologists, geophysicists, and petrophysicists; we do not own an interest in these properties nor are we employed on a contingent basis.

Sincerely,

NETHERLAND, SEWELL INTERNATIONAL, S. DE R.L. DE C.V.

/s/ Robert C. Barg
By:
Robert C. Barg, P.E.
President

/s/ Joseph M. Wolfe
By:
Joseph M. Wolfe, P.E. 116170
Vice President

Date Signed: February 5, 2021

/s/ Philip R. Hodgson
By:
Philip R. Hodgson, P.G. 1314
Geoscientist

Date Signed: February 5, 2021

JMW:SRC