

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, 2022

Commission File Number: 001- 39000

Vista Energy, 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)

Pedregal 24, Floor 4
Colonia Molino del Rey, Alcaldía Miguel Hidalgo
Mexico City, 11040
Mexico

(Address of principal executive offices)

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Tel.: + 52 (55) 8647-0128

(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:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
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:

88,406,478 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	<input type="checkbox"/>	Accelerated Filer	<input checked="" type="checkbox"/>
Non-Accelerated Filer	<input type="checkbox"/>	Emerging Growth Company	<input checked="" type="checkbox"/>

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	<input type="checkbox"/>	International Financial Reporting Standards as issued by the International Accounting Standards Board	<input checked="" type="checkbox"/>	Other	<input type="checkbox"/>
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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.

<input type="checkbox"/> Item 17	<input type="checkbox"/> Item 18
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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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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.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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PRESENTATION OF INFORMATION

This document comprises the annual report of Vista Energy, S.A.B. de C.V. (“Vista”) on Form 20-F for the year ended December 31, 2022.

References

Unless otherwise indicated or the context otherwise requires, (i) the terms “Vista,” “Company,” “we,” “us,” and “our,” refer to Vista Energy, S.A.B. de C.V. (formerly known as 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, (ii) the term “Issuer” refers to Vista exclusive of its subsidiaries, (iii) the term “Vista Argentina” refers to Vista Energy Argentina S.A.U. (formerly known as Vista Oil & Gas Argentina S.A.U., prior thereto 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 Energy Holding I, S.A. de C.V. (formerly known as Vista Oil & Gas Holding I, S.A. de C.V.); (vi) the term “Vista Holding II” refers to Vista Energy Holding II, S.A. de C.V. (formerly known as Vista Oil & Gas Holding I, 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 a corporate reorganization and is no longer in existence as of the date of this annual report; and (viii) the term “APCO Argentina” refers to APCO International’s subsidiary APCO Argentina S.A. (which was merged into Vista Argentina pursuant to a corporate 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.”

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 (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

Financial Statements and Information

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

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.

The financial information contained, or referred to, in this annual report includes the audited consolidated financial statements as of December 31, 2022 and 2021 and for the years ended December 31, 2022, 2021 and 2020, and the notes thereto (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.

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.

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. This annual report does not include an attestation report of our independent registered public accounting firm related to management’s assessment of 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 and Section 102(b)(2)(B) of the JOBS 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.

See “Item 3—Key Information—Risk Factors—Detailed 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.vistaenergy.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.

Non-IFRS Financial Measures

In this annual report, we present ROACE (as defined below), Net Debt, Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Net Income, 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 plus income tax expense, financial results, net, depreciation, depletion and amortization, transaction costs related to business combinations, restructuring and reorganization expenses, bargain purchase on business combination and gain from asset disposals and impairment (recovery) of long-lived assets. 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 long-lived assets 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 long-lived assets 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 Adjusted Net Income as net income plus deferred income taxes, changes in fair value of warrants and impairment loss/recoveries. Deferred income taxes were excluded as they relate to recognition of temporary differences between the tax bases of assets and liabilities and the carrying amounts in the financial statement using the liability method. Changes in the fair value of warrants were excluded because they correspond to an adjustment valuation of financial liabilities assumed by the Company, likewise impairment (recovery) of long-lived assets were excluded from the determination of our adjusted net income because they correspond to an adjustment to the valuation of our long-lived assets. Our management believes that excluding such items will allow investors to facilitate the comparison performance from period to period by removing these identified non-cash items that are mainly driven by external factors and that affect (benefit) the Company's net income.

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 define return on average capital employed ("ROACE") as Adjusted EBITDA minus depreciation, depletion and amortization, divided by the sum of the average total debt and average total shareholders' equity. For purposes of this definition, total debt is comprised of current borrowings, non-current borrowings, current lease liabilities and non-current lease liabilities. Our management believes ROACE measures the efficiency of the utilization of the capital we employ.

We present Adjusted EBITDA, Adjusted EBITDA Margin, Net Debt, Adjusted Net Income and ROACE 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, Adjusted EBITDA Margin, Adjusted Net Income and ROACE, among other measures, for internal planning and performance measurement purposes. Net debt, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and ROACE 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, Adjusted EBITDA Margin, Adjusted Net Income and ROACE, as calculated by us, may not be comparable to similarly titled measures reported by other companies. For a reconciliation of Net Debt, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and ROACE to the most directly comparable IFRS financial measure, see "Item 5A—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"), SdE and EIA, 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, 2022. The proved reserves estimates are derived from the report dated February 1, 2023, prepared by DeGolyer and MacNaughton (“D&M”), for our concessions located in Argentina and Mexico (the “2022 Reserves Report”). The 2022 Reserves Report is included as Exhibit 99.1 to this annual report. D&M is an independent reserves engineering consultant. The 2022 Reserves Report prepared by D&M is based on information provided by us and present an appraisal as of December 31, 2022, 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, Acambuco, Jagüel de los Machos, 25 de Mayo-Medanito, Aguada Federal, Bandurria Norte concessions in Argentina, and of our oil and gas reserves located in the CS-01 concession in Mexico.

Argentina and Mexico Oil and Gas Reserves Information

The information included in “Item 4—Information on the Company—Industry and Regulatory Overview” 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 (“SdE”) and Mexico’s National Hydrocarbon Commission (“CNH”). References to the “proved reserves” of Argentina and Mexico follow the definition of “proved reserves” as set forth in the guidelines published by the SdE and CNH, 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—Industry and Regulatory Overview — Oil and Gas Regulatory Framework in Argentina—Reserves and Resources Certification in Argentina” and “Item 4—Information on the Company—Industry and Regulatory Overview —Oil and Gas Regulatory Framework in Mexico—Reserves and Resources Certification in Mexico.”

Certain Definitions

“**ADR**” means American Depositary Receipt.

“**ADS**” means American Depositary Share.

“**Argentine Constitution**” means the Argentine National Constitution (*Constitución Nacional de la República Argentina*).

“**Argentine Executive Branch**” means the Argentine federal executive branch.

“**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 oversees the enforcement of the Hydrocarbons Law (as defined below) in the future, as applicable.

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

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

“**EIA**” means the U.S. Energy Information Administration.

“**ESG**” means Environmental, Social and Governance.

“**Executive Team**” means the Company’s management team that is comprised of Miguel Galuccio, Pablo Vera Pinto, Juan Garoby and Alejandro Cheriñacov.

“**GHG emissions**” or “**GSGs**” means greenhouse gas emissions. Scope 1 emissions are direct emissions that occur from sources that are controlled by the Company. Scope 2 emissions are indirect GHG emissions associated with the purchase or generation of electricity.

“**IEA**” means the International Energy Agency.

“**Initial Business Combination**” means the acquisition by Vista of certain assets from Pampa Energia S.A. and Pluspetrol Resources Corporation on April 4, 2018. For more information, please see “Presentation of Information—The Initial Business Combination” in Vista’s Form 20-F filed with the SEC on April 30, 2020.

“**LNG**” means liquefied natural gas.

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

“**Mexican Constitution**” means the Mexican Political Constitution (*Constitución Política de los Estados Unidos Mexicanos*).

“**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 the Mexico’s national oil company (*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).

“**RNV**” means the Mexican National Securities Registry (*Registro Nacional de Valores*).

“**ROACE**” means return on average capital employed, which we measure as adjusted EBITDA minus depreciation, depletion and amortization, divided by the sum of the average total debt and average total shareholders’ equity. For purposes of this definition, total debt is comprised of current borrowings, non-current borrowings, current lease liabilities and non-current lease liabilities.

“**SdE**” means the Argentine Secretariat of Energy.

“**SENER**” means *Secretaría de Energía*, or Energy Secretariat, in Mexico.

“**TRIR**” means total recordable incident rate, calculated as the number of recordable incidents multiplied by 1,000,000 divided by total number of hours worked.

“**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;
- “km²” means one square kilometer, which equals approximately 247.1 acres;
- “ha” means one hectare, which equals approximately 2.47 acres;
- “m³” 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 158.9873 cubic meters of natural gas;
- “cf” means one cubic foot;
- “Bcf” means one billion cubic feet;
- “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;
- “CO₂e” means Carbon dioxide equivalent; and
- “Tn” means a metric ton.

FORWARD-LOOKING STATEMENTS

This annual report contains estimates and forward-looking statements, principally in “Item 3—Key Information—Risk Factors,” “Item 4—Information on the Company—Business Overview” 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,” “may,” “could,” “would,” “likely” 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 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 and its different variants;
- 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;
- environmental regulations and internal policies to achieve global climate targets;
- the ongoing conflict involving Russia and Ukraine; 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 Mexico and stand-alone countries such as Argentina 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.

Risk Factor Summary

The following summarizes the main risks to which we are subject. You should carefully consider all of the information discussed below in “—Detailed Risk Factors” for a comprehensive description of these and other risks.

Risks Related to Our Business and Industry:

As an oil and gas company, our business and industry is subject to particular risks, such as exploration, drilling, completion, production, equipment and resources, gathering, treatment and transportation risks; risks related to natural hazards, weather conditions, and mechanical difficulties; fluctuations and regulation of international and domestic oil prices; the availability of financial resources for our business plan and its corresponding costs; inflation; government regulation; and contractions in demand of crude oil and natural gas or any of their by-products. Additional risks exist in light of the conflict involving Russia and Ukraine, and the associated economic and trade sanctions and restrictions that have been imposed or may be imposed in the future. Additionally, as a company which primarily operates in Argentina and Mexico, our business may be affected by changes in those markets.

Our business operations require significant and long-term capital investments and maintenance costs. Our liquidity, business activities, profitability and ability to compete in the market may be adversely affected if we are not able to acquire and correctly use necessary new technologies in connection with future drilling projects, obtaining financing for such projects, obtain and maintain and/or partners to develop and maintain our business activities.

The enhanced focus on climate change and the transition to lower carbon energy sources on the part of the international community, governments, and investors, promote an increase in the use of energy from renewable sources. This energy transition could significantly impact our industry and business, resulting in increased operating

costs, reduced demand for the oil and natural gas we produce, and reputational risks in connection with our business activities. If we fail to meet the pace and extent of society's changing demands for lower carbon energy as the energy transition unfolds, we could fail in sustaining and developing our business. Further, adverse climate conditions may adversely affect our results of operations and our ability to conduct drilling operations. Additionally, adverse climate conditions could negatively impact the Argentine economy, which could in turn affect our results of operations.

Risks Related to our Company:

Most of our producing properties and total estimated proved reserves are geographically concentrated in Argentina. 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. As such, 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 may not be able to acquire, develop or exploit new reserves, which could decrease the volume of our reserves over time and could, in turn, adversely affect our financial condition and our results of operations.

The oil and gas industry is competitive and our ability to achieve our strategic objectives depends on our ability to successfully compete in the market.

We may also 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. Additionally, we are subject to Mexican, Argentine and other nations' anti-corruption, anti-bribery, anti-money laundering and economic sanctions laws and regulations. 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. Our operations may pose risks to the environment, and any climate change legislation or regulations restricting emissions of greenhouse gases 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.

Risks Related to the Argentine and Mexican Economic and Regulatory Environments:

Investors may be faced with risks inherent to investing in a company operating in stand-alone and emerging markets, such as Argentina and Mexico. For example, some of these risks may include, among others, the economic and political conditions in Argentina and Mexico, Argentina's ability to obtain financing from international markets, changing regulation in the countries in which we operate, direct and indirect restrictions on imports and exports under Argentine law, current or potential Argentine exchange controls, the imposition of export duties and other taxes, inflation, significant fluctuations in the value of the Argentine Peso, criminal activity in Mexico, and joint and several tax liability.

Risks Related to our series A shares and the ADSs:

The series A shares and ADSs are traded in more than one market, and this may result in price variations. Also, 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.

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. We are also permitted to rely 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 our ADSs.

ADS holders may also be subject to additional risks related to holding ADSs rather than series A shares. For example, ADS holders may be unable to exercise voting rights with respect to the shares underlying the ADSs at our shareholders' meetings, and preemptive rights may be unavailable to non-Mexican holders of ADSs. Additionally, 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. Our bylaws also contain provisions aimed at restricting the acquisition of our shares and restricting the execution of voting agreements among our shareholders.

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.

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

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.

Detailed Risk Factors

Risks Related to Our Business and Industry

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

Oil and gas exploration and production (“E&P”) activities are subject to particular economic and industry-specific operational risks, some of which are beyond our control, such as drilling, completion, production, equipment, gathering, treatment 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 or the construction of roads to access drilling sites, works related to third party vendors, road blocks, compliance with governmental requirements (including any delays in obtaining the relevant permits), fire, explosions, blow-outs, pipe failure, abnormally pressured formations, supply chain bottlenecks, lockdown restrictions on the general population and reduced hydrocarbons demand due to a pandemic, such as COVID-19, and environmental hazards, such as oil spills, gas leaks, ruptures or discharges of toxic gases or natural disasters preventing us from accessing the drilling sites. 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 and regulation of international and domestic oil prices. In addition, limitations on local pricing of our products in Argentina may adversely affect our results of operations.

Most of our revenues in Argentina and Mexico are derived from sales from oil and natural gas. During 2022, 44% of our oil production volumes were exported, and we expect to continue exporting a substantial portion of our volumes in the future. We are, therefore, exposed to pricing risk in both the international and domestic markets, especially the Argentine domestic market.

International and domestic oil and gas prices have fluctuated significantly in recent years and are likely to continue fluctuating in the future. Factors affecting international prices for crude oil are: political developments in crude oil producing regions, particularly in the Middle East, the ongoing conflict involving Russia and Ukraine, the ability of the OPEC and other crude oil producing nations to set and maintain crude oil production levels and prices; macroeconomic conditions, including inflation; global and regional supply and demand for crude oil, gas and related products; investment in new projects to bring new oil production volumes to the market; global supply chain disruptions, and shipping bottlenecks, competition from other energy sources, the effects of a pandemic (such as COVID-19) or epidemic and any subsequent mandatory regulatory restrictions or containment measures, domestic and foreign government regulations, weather conditions, and global and local conflicts, war, 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.

Secondly, the domestic price of crude oil has fluctuated in the past in Argentina and Mexico not only due to international prices and the risks outlined above, but also due to local taxation, regulations affecting commercialization in the domestic and export markets, macroeconomic conditions, the impact of a pandemic on general economic activity and therefore crude oil demand and refining margins. The domestic price of crude oil is also subject to local price limitations imposed by the Argentine and Mexican governments. In recent months the Argentine government indirectly intervened in the market to keep local crude oil prices artificially low in order to avoid a further increase in inflation. The average Brent price in 2022 was \$99.0/bbl, and export parity price was approximately \$92.7/bbl on average, but our average realization price in the domestic market was \$62.9/bbl, implying a discount to export parity of 32%. This de-coupling affected most or all producers in Argentina, generating lower

revenues than if the average crude oil price in the domestic market had traded at a lower discount to Brent. The determination by the Argentine and Mexican governments to fix, or indirectly intervene to generate, local crude oil prices at values below export parity could have an adverse effect on our results of operations, financial condition, and cash flows. In the event that local prices are reduced through any of the factors described above, which we cannot control, 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.

A decline in realized crude oil prices for an extended period of time (or if prices for certain products fail to keep pace with cost increases) could adversely affect both the economic viability of our drilling projects and, consequently, our ability to meet our operational and financial targets. These price declines could result in changes to our development plans, reduced capital expenditures, failure of our joint venture partners to approve investment projects, a loss of proved developed reserves and proved undeveloped reserves, an adverse effect on our ability to improve our hydrocarbon recovery rates, find new reserves, develop unconventional resources, carry out certain of our other capital expenditure plans, meet our long-term targets and service our financial debt. A decline in realized crude oil prices could also 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. We cannot predict whether, or to what extent, the potential consequences of such actions could affect our business, impact our production, or affect our financial condition and results of operations.

Our business could be adversely affected by a decline in general economic conditions or a weakening of the broader energy industry, and inflation may adversely affect our financial position and operating results.

A prolonged economic slowdown or recession, adverse events relating to the energy industry, or regional, national, or global economic conditions and factors, particularly a slowdown in the E&P industry, could negatively impact our operations and therefore adversely affect our results. The risks associated with our business are more acute during periods of economic slowdown or recession because such periods may be accompanied by decreased demand for oil and natural gas, and decreased prices for oil and natural gas.

Supply chain pressures in global production, trade and logistics resulting from the COVID-19 pandemic and subsequent strong pick-up in demand have fueled price inflation in a number of sectors, including energy and other commodities. Inflationary factors, such as increases in the labor costs, material costs, and overhead costs, may also adversely affect our financial position and operating results. In 2022, we faced and we continue to face effects including cost inflation with both labor and materials, driven by the appreciation of the Argentine Peso in real terms, general inflation impacting the price formula of different services, and the result of collective bargaining agreements on unionized personnel in our company and contractors which could offset any price increases for our products and services.

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

Demand for our crude oil and gas products is largely influenced by the economic activity and growth in Argentina, Mexico and globally. For example, the efforts of the Federal Reserve of the United States and other Central Banks globally to contain inflation through increase in interest rates, could lead to lower economic growth, and even economic recession in certain economies, or at a global level. This could have an adverse effect on the demand for crude oil and crude oil prices, and therefore impact negatively on our business. 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. Demand for crude oil by-products, such as gasoline, may also contract under certain conditions, particularly during economic downturns, or due to changes in consumer preferences following from the energy transition currently underway.

A contraction of the demand of our products would adversely affect our revenues, causing economic losses to our Company. In addition, 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. Continuous poor economic performance could eventually impair our ability to repay our financial debt, 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.

The conflict involving Russia and Ukraine, and the associated new, additional, and/or enhanced economic and trade sanctions and restrictions that have been imposed by various countries, could have a material adverse effect on our business, financial condition and results of operations.

The conflict involving Russia and Ukraine has recently had, and will likely continue to have, significant global economic effects, including an impact on commodity prices, especially with regard to international crude oil and gas prices which have increased significantly in February and March 2022. Furthermore, the conflict has resulted in the imposition of economic and trade sanctions and restrictions targeting Russia and certain Russian economic sectors and companies by the United States, the European Union, the United Kingdom and other major countries. The severity of these sanctions may increase and could contribute to a shortage of raw materials and commodities, which could, in turn, generate greater levels of inflation and create interruptions in the global supply chain. Interruptions in the global supply chain could particularly affect the energy sector and could create supply chain difficulties in local markets.

Due to the uncertainties inherent to the scale and duration of the conflict and its direct and indirect effects, it is not reasonably possible to estimate the impact this conflict will have on the global economy and financial markets, on the economies of the countries in which we operate and, consequently, our business, financial condition and results of operations.

Also, our revenues and our profitability are heavily dependent on the prices we receive from our sales of oil and natural gas. Oil prices are particularly sensitive to actual and perceived threats to global political stability and to changes in oil production in, and oil supply from, various key countries, including Russia. The conflict has led to an increase in international oil prices, which creates transitory increases in the revenues of upstream companies around the globe. In addition, it has also led to increased volatility in global commodities in general and hydrocarbon prices. We cannot predict whether such volatility will lead to further price increases or, on the contrary, lead to a general downturn in economic activity or oil and gas prices, and therefore adversely affect our profitability. Recent increases in oil prices could accelerate the transition to other sources of energy and led to an unpredictable drop in pricing in the medium to long-term, which in turn could adversely affect our business, financial condition and results of operations. Such price increases could also lead to energy shortages and an increasing amount of the global population, including in Argentina and Mexico, without access to energy supplies. It could also lead to new regulation by the Argentine and/or Mexican governments to further de-couple domestic energy pricing from international energy pricing or restrict energy-related exports from Argentina or Mexico, which would affect our business. Additionally, changes to worldwide oil prices and demand could cause turmoil in the global financial system, and in turn materially affect our business, financial condition and results of operations.

We benefit from natural gas subsidies to natural gas producers that may be limited or eliminated in the future.

We currently benefit from certain subsidies granted to natural gas producers, such as 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*) known as “Gas Plan IV”. This subsidy program was approved by the Argentine government by means of Decree No. 892/2020 (recently modified by Decree No. 730/2022) to provide economic incentives aimed at increasing the domestic production of natural gas. In this regard, the government issued a series of complementary regulations to execute Gas Plan IV. See “Item 4— Information on the Company—Industry and Regulatory Overview— Oil and Gas Regulatory Framework in Argentina – Gas Market.” On December 15, 2020, the SdE issued Resolution No. 391/2020, awarding the volumes and prices tendered under Gas Plan IV. The base volume awarded to Vista 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, 2022.

On December 29, 2020, the SdE issued Resolution No. 447/2020, modifying certain aspects of Resolution 391/2020. The base volume awarded to Vista under the tender was modified to 0.85 MMm³/d, maintaining the average annual price.

We cannot assure you that any changes to Gas Plan IV, or additional regulation would not adversely affect our results of operations. The restriction or withdrawal of subsidies would adversely affect the selling price of our products and therefore result in a decrease in our revenues.

Our business requires significant and long-term capital investments and maintenance cost.

The oil and gas industry is a capital-intensive industry. We make and expect to continue to make substantial capital expenditures related to development and acquisition of oil and gas resources and in order to maintain or increase the amount of our hydrocarbon reserves and production.

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, under certain scenarios (for example, in low realized oil price scenarios), 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. In such case, 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. 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, 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.

We may not be able to acquire, develop or exploit new reserves, which could decrease the volume of our reserves over time and could, in turn, adversely affect our financial condition and the results of our operations.

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 the reserves are produced and consumed. Therefore, our results of operations largely depend 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, in replacing our existing oil and gas reserves or in acquiring new reserves, the production of oil and gas and the volume of our reserves will decrease over time. 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.

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 construction of a well does not assure a return on investment or recovery of the costs of drilling, completion and operating costs. Lower oil and natural gas prices could also affect our growth, including future and pending acquisitions.

We may not be able to identify commercially exploitable reservoirs or implement our capital investment program to 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 replace our production with new reserves, or acquire new reserves, 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.

Our oil and gas reserves are estimates based on certain assumptions that could be inaccurate. Reserve estimates depend on the quality of engineering and geological data at the date of the estimate and the manner in which they are interpreted. The accuracy of estimates of proved reserves depends on a number of factors, many of which are beyond our control and are subject to change over time. 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, but not limited to production forecasts, the time and amount of development expenditures, testing and production after the date of the estimates, among others), 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. 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, the estimation of “proved oil and natural gas reserves” based on Argentine SdE Resolution No. 324/2006 and Secretariat of Hydrocarbon Resources Resolution No. 69-E/2016 may differ from the standards required by SEC’s regulations.

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. See “Item 4—Information on the Company—Industry and Regulatory Overview —Oil and Gas Regulatory Framework in Argentina—Reserves and Resources Certification in Argentina” and the 2022 Reserves Report attached hereto as Exhibit 99.1.

Our business operations rely heavily on our production facilities.

A material portion of our revenues depends on our oil and gas facilities, which are key to producing, transporting, treating and injecting oil and gas in transportation infrastructure for sale. While we believe that we maintain adequate insurance coverage and appropriate security measures in respect of such facilities, any material damage to, accident at, or other disruption at such production facilities could have a material adverse effect on our production capacity, financial condition and results of operations.

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 oil transportation storage or loading infrastructure, as well as the lack of vessels for maritime oil transportation, may adversely affect our financial condition and results of operations. The lack of gas transportation infrastructure may also adversely affect our financial condition and results of operations.

In particular, most of our crude oil production is transported from the Neuquina Basin through the Oldelval pipeline system to the south of the Province of Buenos Aires, from where it is sent to refineries or port facilities at Puerto Rosales for exports. This Oldelval pipeline system is currently working close to full capacity. Additionally, the export facilities at Puerto Rosales, owned by Oiltanking Ebytem, are also working close to full capacity. Although Oldelval and Oiltanking Ebytem are executing a projects to expand their capacity, if Vaca Muerta production grows at a greater pace than its capacity expands, a potential lack of transportation capacity may limit our production and therefore 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.

Changes in the economic, regulatory, business or political environment in Argentina, Mexico or other markets where we operate, such as price controls over crude oil or crude oil by-products or 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.

We evaluate the carrying amount of our assets for possible impairment on an annual basis, or more frequently where the circumstances require. 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. Substantial write-downs of the carrying amount of our assets could adversely affect our financial condition and results of operations.

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 (i) unexpected drilling conditions; (ii) unexpected pressure or irregularities in formations; (iii) equipment failures or accidents; (iv) construction delays; (v) hydraulic stimulation accidents or failures; (vi) adverse weather conditions; (vii) restricted access to land for drilling or laying pipelines; (viii) title defects; (ix) lack of available gathering, transportation, processing, fractionation, storage, refining or export facilities; (x) lack of available capacity on interconnecting transmission pipelines; (xi) access to, and the cost and availability of, the equipment, services, resources and personnel required to complete our drilling, completion and operating activities; and (xii) 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 development, extension or exploratory, involves these risks, exploratory and extension drilling involves greater risks of dry holes or failure to find commercial quantities of hydrocarbons. If we are not successful in our exploration or extension drilling activities, we might not be able to replace the reserves consumed as a result of our production and therefore our production will decline over time, which could adversely affect our financial condition and results of operations.

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, completion and hydrocarbon production activities. 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 stimulation 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, or other facilities, resulting in increased costs, which could have a material adverse effect on our financial condition, results of operations and cash flows.

Our operations may pose risks to the environment.

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 leaks or spills of hydrocarbons, contamination of soil or water sources, fire and explosions, damages to infrastructure or the general population. There can be no assurance that future environmental issues will not result in cost increases, civil liability or administrative action, which could lead to a material adverse effect on our financial condition and results of operations.

Any climate change legislation or regulations restricting emissions of greenhouse gases (“GHGs”) could result in increased operating costs.

Due to concern over the risk of climate change, a number of countries have adopted, or are considering the adoption of, new regulatory requirements to reduce greenhouse gas emissions, such as carbon taxes, increased efficiency standards or the adoption of cap-and-trade regimes. More stringent environmental regulations can result in the imposition of costs associated with GHG emissions, either through environmental agency requirements relating to mitigation initiatives, compliance costs and operational restrictions, and/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. We expect that a growing share of our GHG emissions could be subject to regulation, resulting in increased compliance costs and operational restrictions. Regulators may seek to limit certain oil and gas projects or make it more difficult to obtain required permits. Additionally, climate activists around the globe are challenging the grant of new and existing regulatory permits. We expect that these challenges are likely to continue and could delay or prohibit operations in certain cases.

Compliance with legal and regulatory changes relating to climate change set out by the Argentine and Mexican governments, including those resulting from the implementation of international treaties (see “Item 4—Information on the Company—Business Overview—Argentine Regulatory Framework”), 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.

In addition, environmental laws that may be implemented in the future could increase litigation risks and have a material adverse effect on us. For example, in 2019, the Argentine Congress enacted Law No. 27,520 on Minimal Standards on Global Climate Change Adaptation and Mitigation, which focused on implementing policies, strategies, actions, programs and projects that can prevent, mitigate or minimize the damages or impacts associated with climate change (see “Item 4—Information on the Company—Business Overview—Argentine Regulatory Framework”). If additional requirements were adopted in Argentina, these requirements could add to our litigation costs and impact adversely on our results of operations.

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 and the market value of our series A shares and ADSs.

The energy transition could result in reduced demand for the oil and gas we produce, negatively impact our long term plans, and lead to opposition from certain stakeholders

We expect that actions by customers to reduce their emissions will continue to lower demand for hydrocarbons and their by-products, and potentially affect prices for oil and gas, for example if households continue switching to electric vehicles, if public transport switches to electricity or other renewable fuels, if power generation continues to migrate to renewable sources, or if hydrogen or alternative sources of green energy are adopted on a massive scale. This could be a factor contributing to additional provisions for our assets and result in lower earnings, cancelled projects, reduced access to capital, and potential impairment of certain assets.

Regulations and regimes promoting alternative energy resources may also lead to a decline in demand for crude oil and natural gas, or any of their by-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.

There are other risks associated with climate change, such as increasing conflictivity with landowners and local communities, difficulties in hiring and retaining staff, and increased difficulty accessing technology. Moreover, certain investors have also decided to divest their investments in fossil fuel companies and stakeholder groups are also putting pressure on commercial and investment banks to stop financing fossil fuel companies. According to press reports, some financial institutions have started to limit their exposure to fossil fuel projects. Accordingly, our ability to access financing for future projects may be adversely affected. 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.

If we fail to meet the pace and extent of society's changing demands for lower carbon energy as the energy transition unfolds, we could fail in sustaining and developing our business.

The pace and extent of the energy transition could pose a risk to the company if our own transition towards decarbonisation moves at a different speed than society's. If we are slower than society, either because we do not invest enough funds, or invest in technologies that fail to reduce our carbon footprint or does not allow us to reach our ambition to become net zero, our reputation may suffer and customers may prefer a different supplier which would adversely impact demand for our hydrocarbon products, including the market value of our non-conventional acreage and associated resources we expect to develop in the future. Our failure to time the transition of our production to address climate-change related concerns could have a material adverse effect on our earnings, cash flows and financial condition.

Adverse climate conditions may adversely affect our results of operations and our ability to conduct drilling operations. Additionally, adverse climate conditions could negatively impact the Argentine economy.

The physical effects of climate change such as, but not limited to, heat waves, storms, hail, increases in temperature and sea levels, extensive droughts affecting the river basins where we operate, and fluctuations in sea levels could adversely affect our operations and supply chains. Such 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.

In addition, adverse climatic conditions could negatively affect Argentina's economy. The consequences of the 2022/2023 drought in Argentina have significantly affected agricultural production. Soybean, corn and wheat production is expected to decline by approximately 40% year-on-year, resulting in an expected GDP contraction of 3% to 3.5% during 2023, according to several economic analysts. In addition, the reduction in foreign exchange inflows is expected to be approximately \$16 billion, due to lower exports. Tax revenues will also be affected, due to lower export taxes (according to several economic analysts, the current estimate is approximately \$5 billion less tax revenues, or 1% of GDP). This could have a negative impact on the Argentine macroeconomy (which already had high levels of inflation and poverty prior to the drought), and therefore could negatively affect our operations and financial results if the worsening macro situation leads to an economic crisis.

Our activities are subject to social and reputational risks, including negative media attention and the potential for protests by members of the 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 and negative media attention. For example, several of our operations are carried out in the Province of Neuquén, Argentina. Local communities, including indigenous communities, have engaged in various forms of protest against business activities in general, including oil and gas. Although we consider our relationship with local communities, including indigenous communities to be good, we cannot assure you that any blockade will not impact our operations. Any such action could have an adverse effect on our reputation, financial condition and results of operations.

Our industry has become increasingly dependent on digital technologies to carry out daily operations and is subject to increasing cybersecurity threats.

As dependence on digital technologies has increased, cyber incidents, including deliberate attacks or unintentional events have also increased worldwide. Even if we have implemented, and continue to implement, a cybersecurity plan (See Item 4—Information of the Company—Business Overview—Information Technology), the technologies, systems, and networks that we have implemented, or 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 you 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

The historical financial information included in this annual report and the past performance and experience of our Executive Team may not be indicative of future results.

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. Our periodic operating results could fluctuate for many reasons, including many of the risks described in this section, which are beyond our control. 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. Additionally, we believe that the experience of our Executive Team constitutes a differentiated source of competitive strength for us. However, the experience of our Executive 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 8—Financial Information” and the Audited 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 we have developed, along with those developed by our key service providers. Risks that we face while drilling horizontal wells include, but are not limited to, the following (i) landing the wellbore in the desired drilling zone; (ii) staying in the desired landing zone while drilling horizontally through the formation; (iii) running casing the entire length of the wellbore; and (vi) 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: (i) the ability to stimulate the planned number of stages; (ii) the ability to run tools the entire length of the wellbore during completion

operations; and (iii) the ability to successfully clean out the wellbore after completion of the final hydraulic 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, 2022, 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.

The oil and gas industry is competitive and our ability to achieve our strategic objectives depends on our ability to successfully compete in the market.

The oil and gas industry is competitive and 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.

Should we choose to bid for exploration or exploitation rights with respect to a hydrocarbon area, we would face significant competition not only from private companies, but also from national or provincial public companies.

We are also affected by competition for drilling rigs and the availability of related equipment, leading to higher drilling costs over the past several years. 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. Additionally, foreign exchange regulations in Argentina, generate entry barriers for international service providers, therefore limiting the supply of oilfield goods and services in the country. See “Item 10—Additional Information—Exchange Controls”. Accordingly, failure to manage our costs and our operational performance could result in a material adverse effect on our earnings, cash flows and financial condition.

We also compete for resources with state-owned oil and gas companies in Argentina and Mexico such as YPF, as well as with privately-owned local and international companies. Such entities could be motivated by political or other factors in making their business decisions. See “Item 4—Information on the Company—Business Overview—Customers and Marketing—Competition.”

We must achieve certain milestones to protect the exploitation rights in our concessions.

In order to keep 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 relevant agreements signed with government authorities. 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 meeting these milestones, renewing our agreements, maintaining our operations in these concessions or securing new ones, our ability to grow our business may be materially affected. See “Item 5B—Operating and Financial Review and Prospects—Liquidity and Capital Resources—Capital Expenditures” and “Item 5A—Operating and Financial Review and Prospects—Operating Results—Factors Affecting our Results of Operations—Contractual Obligations.”

Our ability to expand our business will depend on how we react to competitive forces.

As we operate in a very competitive business, 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.

Our success in our acquisition-related activities depends on our ability to identify suitable acquisition candidates, acquire them on acceptable terms, and integrate their operations successfully with ours.

From time to time, we undertake evaluations of opportunities to acquire additional oil and gas assets and businesses. Any resulting 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-related 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. There can be no assurance that we would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions. If we fail to overcome these risks, it may have a material adverse impact on our reputation and business.

We may be unable to successfully integrate 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 included and may include in the future acquisitions of producing properties that include undeveloped acreage. We can give no assurance as to whether we will achieve our desired profitability from our recent acquisitions or any acquisitions we may make in the future. In addition, the inability to successfully assimilate recent and future acquisitions could adversely affect our financial condition and results of operations. Our acquisitions may involve numerous risks, including (i) operating a larger combined organization and adding operations; (ii) difficulties in the assimilation of the assets and operations of the acquired business, especially if the assets acquired are in a new geographic area; (iii) risk that oil and natural gas reserves acquired may not be of the anticipated magnitude or may not be developed as anticipated; (iv) loss of significant key employees from the acquired business; (v) inability to obtain satisfactory title to the assets, concessions, or participation interests we acquire; (vi) a decrease in our liquidity if we use a portion of our available cash to finance acquisitions; (vii) a significant increase in our interest expense or financial leverage if we incur additional debt to finance acquisitions; (viii) dilution to existing shareholders in possible equity financings; (ix) failure to realize expected profitability or growth; (x) failure to realize expected synergies and cost savings; (xi) coordinating geographically disparate organizations, systems and facilities; and (xii) 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 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 a depreciation or devaluation of the Argentine or Mexican Peso against the U.S. Dollar would be on (a) our realized crude oil prices of sales to the domestic market, given that gasoline prices in Argentina are denominated in local currency, so significant changes in exchange rate limit the ability of refiners to pass through such changes to the end-users, and (b) our U.S. Dollar-denominated expenses, which would become more expensive relative to the revenues in local currency from sales to the domestic market. Additionally, given several accounting rules it may also negatively affect: (i) deferred income tax associated with our fixed assets, (ii) current income tax and (iii) foreign exchange differences associated with our Argentine or Mexican Peso exposure.

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 coverage 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, as a result must rely on the activities of our operating partners in such joint ventures. Actions taken by the concessionaires and/or operators in these joint ventures could have a material adverse effect on our success.

Both we and our subsidiaries carry out hydrocarbon E&P activities through unincorporated joint ventures entered into through agreements with third parties (joint operations for accounting purposes). In some cases, our joint

venture 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 must rely on the activities of our operating partners. For example, as of December 31, 2022, we were not the operator of the Acambuco concession in Argentina. 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. See “Item 4—Information of the Company—Business Overview—Concessions,” for a more complete description of Sur Río Deseado Este and Acambuco Concessions.

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 and tax 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, 2022, 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.

A portion of our indebtedness relates to Vista Argentina’s obligations under the Credit Agreement which obligations are guaranteed by us, Aluvional Logística S.A., Vista Holding I, Vista Holding II and AFBN S.R.L. (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.

Additionally, as of the date of this annual report, pursuant to the foreign exchange regulations imposed by the BCRA, companies’ resident in Argentina may only access the foreign exchange market to repay financial indebtedness if certain conditions are met and/or they have the prior approval of the BCRA.

There can be no assurance that the BCRA will not increase or relax such controls or restrictions, make modifications to these regulations, establish more severe restrictions on currency exchange, or maintain the current foreign exchange regime or create multiple exchange rates for different types of transactions, substantially modifying the applicable exchange rate at which we acquire currency to service our outstanding liabilities denominated in currencies other than the Peso, all of which could undermine our ability to repay our financial indebtedness. See “Item 3—Key Information—Risk Factors—Detailed Risk Factors—Risks Related to the Argentine and Mexican Economic and Regulatory Environments— Current Argentine exchange controls and the implementation of further exchange controls could adversely affect our results of operations” for more information.

We are subject to Mexican, Argentine and other nations’ anti-corruption, anti-bribery, anti-money laundering and economic sanctions laws and regulations. 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 laws and regulations implementing 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 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 (Law No. 27,401) 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*) and its regulations, the Mexican Criminal Code (*Código Penal Federal*), the Argentine Anti-Money Laundering Law (*Ley de Prevención del Lavado de Activos*), which created at the national level the Anti- Money Laundering and Terrorism Financing Regime, criminalizing money laundering, creating and designating the Financial Information Unit (“UIF” for its acronym in Spanish) as the enforcement authority of the regime, and establishing the legal obligation for various public and private sector entities and professionals to provide information and cooperate with the UIF and finally Sections 303-306 of the Argentine Criminal Code (*Código Penal de la República Argentina*), 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, reports may emerge alleging instances of unethical and illegal conduct 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 reports and investigate matters which we believe warrant an investigation in keeping with the requirements of our compliance program, and, if necessary or appropriate make disclosure and notify the relevant authorities, any fines, other penalties or adverse publicity that such allegations may attract may have a negative impact on our business and reputation and lead to increased regulatory scrutiny of our business practices.

Given these risks, we have adopted a code of ethics and conduct (“Code of Ethics and Conduct”) that applies to all of Vista’s officers and employees and third parties (contractors, suppliers, partners) which interact with Vista. Our Code of Ethics and Conduct defines the way in which we conduct our businesses, and it is designed to help us comply with our obligations, to respect one another at the workplace and to act with integrity in the market. Our Code of Ethics and Conduct 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 maintaining a business, influencing business decisions or receiving 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 Code of Ethics and Conduct has been violated, the Company shall take any appropriate disciplinary action.

If we or people or entities that are or were related to us are responsible for violations of applicable anti-corruption laws (whether due to our own acts or inadvertence, or due to the acts or inadvertence of others) or the Code of Ethics and Conduct, we or other persons or entities related to us could suffer civil, criminal and/or other penalties, which in turn could have a material adverse impact on our 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. We could face material adverse effects to our business and reputation should these key suppliers, vendors and service providers fail to deliver, or are delayed in delivering, equipment, service or critical resources.

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 you 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, in addition to the worsening of the macroeconomic environment in Argentina that has led to increased inflation rates

and poverty levels, may have an impact on the amount of labor actions initiated by our workforce during 2023 and subsequent years.

In addition, we cannot assure you that we will be able to negotiate new collective bargaining agreements in the same terms, on terms that are substantially similar, 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 April 2022 to March 2023 was signed on April 26, 2022, with an amendment signed on July 20, 2022. As of the date of this annual report, public hearings are being held to discuss a collective bargaining agreement for the period April 2023 to March 2024. 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 Executive 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”). On March 5, 2021, the United Kingdom Financial Conduct Authority (the “FCA”), which regulates LIBOR, announced that all LIBOR tenors, which are relevant to us, will cease to be published or will no longer be representative after June 30, 2023. The FCA’s announcement coincides with the March 5, 2021, announcement of LIBOR’s administrator, the ICE Benchmark Administration Limited (the “IBA”), indicating that, as a result of not having access to input data necessary to calculate LIBOR tenors relevant to us on a representative basis after June 30, 2023, IBA would have to cease publication of such LIBOR tenors immediately after the last publication on June 30, 2023. These announcements mean that any of our LIBOR-based borrowings that extend beyond June 30, 2023, will need to be converted to a replacement rate. In the United States, the Alternative Reference Rates Committee (the “ARRC”), a committee of private sector entities with ex-officio official sector members convened by the Federal Reserve Board and the Federal Reserve Bank of New York, has recommended the Secured Overnight Financing Rate (“SOFR”) plus a recommended spread adjustment as LIBOR’s replacement. There are significant differences between LIBOR and SOFR, such as LIBOR being an unsecured lending rate while SOFR is a secured lending rate, and SOFR is an overnight rate while LIBOR reflects term rates at different maturities. A transition away from and/or changes to the LIBOR benchmark interest rate could adversely affect our business, financial condition, liquidity and results of operations. If our LIBOR-based borrowings are converted to SOFR, the differences between LIBOR and SOFR, plus the recommended spread adjustment, could result in interest costs that are higher than if LIBOR remained available, which could have a material adverse effect on our operating results. Although SOFR is the ARRC’s recommended replacement rate, it is also possible that lenders may instead choose alternative replacement rates that may differ from LIBOR in ways similar to SOFR or in other ways that would result in higher interest costs for us. It is not yet possible to predict the magnitude of LIBOR’s end on our borrowing costs given the remaining uncertainty about which rates will replace LIBOR. 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 Economic and Regulatory Environments

Our business is largely dependent upon economic and political conditions in Argentina.

Substantially all of our operations and properties are located in Argentina, and, as a result, our business is largely dependent on economic conditions prevailing in Argentina. 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. In addition, the Argentine economy is also vulnerable to adverse developments affecting its principal trading partners. Argentina's economic conditions are dependent on a number of factors over which we have no control. We cannot assure you that the Argentine economy will not suffer a recession. If economic or monetary 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; government spend and fiscal deficit; 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. 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.

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 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 price control over these products, 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.

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

Over the past few years, Argentina has experienced financial distress, which has led to an increase in public debt. During 2020, the Argentine government entered into negotiations with its creditors to restore the sustainability of its external public debt. In August of that year, the Argentine government restructured approximately US\$66.5 billion of its U.S. Dollar-denominated global bonds. On the other hand, the Argentine government initiated negotiations with the International Monetary Fund ("IMF") to renegotiate the principal maturities of the US\$44.1 billion disbursed between 2018 and 2019 under a Stand-By Arrangement, originally scheduled for the years 2021, 2022 and 2023. On January 28, 2022, the Argentine government and the IMF announced that they had reached an understanding on key policies as part of their ongoing discussions for an IMF-supported program. Later, on March 3, 2022, the IMF and the Argentine government reached a staff-level agreement on the economic and financial policies to be supported by a 30-month extended fund facility arrangement (the "EFF Agreement"), which was approved by the Argentine Congress through Law No. 27,668 on March 17, 2022, and enacted by Decree No. 130/22. Subsequently, the executive board of the IMF approved the EFF Agreement for an amount equivalent to US\$44

billion, including an immediate disbursement of US\$9.6 billion. On September 19, 2022, IMF staff and the Argentine authorities have reached staff-level agreement on an updated macroeconomic framework and associated policies needed to complete the second review under Argentina's 30-month EEF Agreement. On October 17, 2022, the IMF Executive Board approved the EEF Agreement, enabling disbursements of an amount of up to US\$3.9 billion.

In addition, on October 28, 2022, the Minister of Economy announced a new agreement with the Paris Club (which is an addendum to the agreement signed in 2014) recognizing a principal amount of US\$1,971 million, to be paid in thirteen semi-annual installments, starting in December 2022 to be repaid in full in September 2028.

Over the next two years, Argentina is scheduled to repay 40% of the principal amount outstanding. We cannot assure you that the EEF Agreement will not affect Argentina's ability to implement reforms and public policies and boost economic growth. In addition, the long-term impact of these measures and any future measures taken by the current government on the Argentine economy remains uncertain.

Despite the restructuring of Argentina's public debt carried out between 2020 and 2022, international markets remain cautious with regards to Argentina's debt sustainability and, as a result, country risk indicators remain high. There can be no assurance that Argentina's credit ratings would remain in place or otherwise be downgraded, suspended or cancelled. Any downgrade, suspension or cancellation of Argentina's sovereign debt rating may have an adverse effect on the Argentine economy and our business.

Without renewed access to the financial markets, the Argentine government may not have the financial resources to drive growth. In addition, 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 growth, including the financing of capital expenditures, which would adversely 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 in the amount of US\$2.4 million as of December 31, 2022. Any new event of default by the Argentine government could adversely 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.

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 the results of our operations. Similarly, we cannot assure you that future government policies, in the countries where we currently operate or might operate in the future, 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.

The Argentine and the Mexican hydrocarbons industries are 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 and the Mexican government are further empowered to design and implement federal energy policies in their respective

countries, and have used these powers before –in the case of Argentina– 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 have occurred and can occur again in the future. In the case of Mexico, the federal government has implemented policies to regain market participation and control in favor of State-owned enterprises (i.e., Pemex and CFE).

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.

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 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.

Investors may be faced with risks inherent to investing in a company operating in stand-alone and emerging markets, such as Argentina and Mexico, including significant political, legal and economic risks, as well as risks related to fluctuations in the global economy.

According to MSCI Inc, Argentina and Mexico are standalone and emerging market economies, respectively. As per the MSCI Global Market Accessibility Review, while nations classified as emerging markets are developing countries with potential growth in their economies, trade relations with other countries, stability of institutional framework, equal rights to foreign investors and low levels of capital flow restrictions, countries classified as stand-alone markets are those that are currently partially or fully closed to foreign investors, with small capital markets and political tensions.

Investing in such markets generally carries inherent risks such as political, social and economic instability that may affect Argentina’s and Mexico’s economic results, which may stem from many factors, including but not limited to, 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 also affect international trade, the price of commodities and the global economy; and our ability to obtain financing from international markets.

Volatility in the securities markets in Latin America and emerging market countries, as well as possible further increases in interest rates in the United States and other developed countries, may have a negative impact on the trading value of our securities and the conditions under which we can access international capital markets. In addition, stand-alone markets include additional risks, such as governmental restrictions that may limit investment and the risk associated with political developments.

In addition, the SEC, the U.S. Department of Justice 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 standalone and emerging markets, including Argentina and Mexico. Additionally, our public shareholders may have limited rights and few practical remedies in standalone and emerging markets where we operate, as shareholder claims that are common in the United States, including class actions based on securities law and fraud claims, generally are difficult or impossible to pursue as a matter of law or practicality in many standalone and emerging 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 Argentine 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 this respect, oil and gas companies have faced restrictions to export crude oil from Argentina, therefore limiting their access to greater revenues when international prices are above domestic prices in Argentina.

Export operations of crude oil and oil by-products currently require prior registration in the Registry of Export Operations Agreements (Registro de Contratos de Operaciones de Exportación) and authorization by the SdE (according to the regime established in Resolution S.E. No. 241-E/2017 and its subsequent amendments and complements). Oil companies and oil refineries intending to export crude oil, liquefied petroleum gas or gasoil, among others, must demonstrate, prior to obtaining the authorization, that the offer for sale of such product has already been made to and rejected by local buyers. In the case of not obtaining oil export permits, our operations could be affected, as well as our revenues and financial results.

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.

Additionally, there are certain obligations and restrictions for exporters in accordance with current in-force FX regulations, including, but not limited to, obligation to repatriate and settle in Argentine Pesos in the local exchange market proceeds from exports of goods. See “Item 10—Additional Information—Exchange Controls.”

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.

Regarding imports, in recent years, the Argentine government has implemented certain measures that control and restrict imports of many products and services, including some product and services which are needed for oil and

gas operations. Such restrictions could delay some of our projects and negatively impact our operations and financial metrics.

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

The Argentine government and the BCRA have implemented certain measures that control and restrict the ability of companies and individuals to access to the foreign exchange market. Those measures include, among others: (i) restricting access to the Argentine foreign exchange market for the purchase or transfer of foreign currency abroad for any purpose, including the payment of dividends to non-resident shareholders; (ii) restrictions on the acquisition of any foreign currency to be held as cash in Argentina; (iii) requiring exporters to repatriate and settle in pesos, in the local exchange market, all the proceeds of their exports of goods and services; (iv) limitations on the transfer of securities into and from Argentina; (v) establishing certain mandatory refinancing on U.S. Dollar-denominated debt; and (vi) the implementation of taxes on certain transactions involving the acquisition of foreign currency.

There can be no assurance that the BCRA or other government agencies will not increase or relax such controls or restrictions, make modifications to these regulations, impose further mandatory refinancing plans related to our indebtedness payable in foreign currency, establish more severe restrictions on currency exchange, or maintain the current foreign exchange regime or create multiple exchange rates for different types of transactions, substantially modifying the applicable exchange rate at which we acquire currency to service our outstanding liabilities denominated in currencies other than the Peso, all of which could affect our ability to comply with our financial obligations when due, raise capital, refinance our debt at maturity, obtain financing, execute our capital expenditure plans, and/or undermine our ability to pay dividends to foreign shareholders. Consequently, these exchange controls and restrictions could materially adversely affect the Argentine economy and our business, financial condition and results of operations. For additional information, please see “Item 10—Additional Information—Exchange Controls.”

In addition, 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 has imposed duties on exports, including exports of oil and liquid petroleum gas products (for example, among others, by means of the Solidarity Law and Decree No. 488/2020). Under the current regulation, export duties on crude hydrocarbons and/or natural gas are capped at 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 an increase in export taxes would result in a reduction in our realization prices, our margins and our net income. We cannot guarantee the impact of those or any other future taxes and 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 foster 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”) variation for the period from January to December 2022 was 94.8%. The inflation of the first quarter of 2023 was 21.7%, equivalent to an annualized rate of 119.4%.

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 the competitiveness of Argentina's goods and services in the international markets, 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 "— 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.

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 pass through crude oil prices to the pump prices, which are denominated in local currency, in the event of significant increases in international crude oil prices or in exchange rates. For example, despite the rapid increase in Brent during the first semester of 2022, from US\$77.2/bbl on December 31, 2021, to US\$114.2/bbl on June 30, 2022, domestic crude oil prices in Argentina remained around US\$63/bbl for Medanita type crude oil during that period. While Brent crude oil prices decreased by 11% during the second half of 2022 compared to the previous semester, there continues to be a price gap with the local market in terms of oil prices. 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 continued depreciation of the Argentine Peso could have a material adverse effect on Argentina's economy and, consequently, our cash flows, financial condition and results of operations.

The ability of the Argentine government to stabilize the foreign exchange market and restore economic growth is uncertain. An appreciation of the Peso in real terms affects the competitiveness of the economy, including the oil and gas sector, as makes goods and services denominated in local currency more expensive in relative terms. This could increase our operating and capital expenditures, and negatively affect our financial performance. A significant appreciation in real terms 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.

Our properties may be subject to expropriation by the Mexican and Argentine 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 the Argentine or Mexican governments, or the governments of other countries where we might invest in the future, 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 of these events.

We cannot assure that any acts of expropriation by the Argentine or Mexican governments, changes in applicable laws and regulations, or adverse judicial or administrative interpretations of such laws and regulations will not have a material adverse effect on our operation and business, or the Argentine or Mexican economies in general and, as a result, adversely affect our financial condition, our results of operations.

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 intervened directly in the economy through expropriation, nationalization, price controls and exchange controls, among others.

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 in the local foreign exchange market all foreign currency revenues obtained from exports. These regulations prevent and limit 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 to occur in the future as a result of the accumulation of macroeconomic imbalances in recent years, the Argentine government's regulatory actions and difficult international economic conditions, as well as the additional stress imposed by the COVID-19 pandemic. We cannot give any assurance that the policies implemented by the Argentine government will not adversely affect our business, results of operations, financial condition, value of our securities and ability to meet our financial obligations.

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

In the future, the Argentine government may 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.

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

The Hydrocarbons Law No. 17,319 (*Ley de Hidrocarburos*) (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, 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. 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 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 investment plans submitted to that effect, or that such authorities will not impose additional requirements for the renewal of such concessions or permits. Additionally, five of our concessions were granted for a 35-year period and with royalties of 12%, under the terms prescribed by Law No. 27,007. 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 (the “Short Law”) transferred the eminent domain on hydrocarbon reservoirs from the Argentine Government to the provinces. Exploration permits and exploitation concessions in existence when the Short Law 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 permits or exploitation concession) upon its extraction.

No assurance can be given that our exploitation concessions will be renewed in the future by the relevant provincial authorities based on the investment’s 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 contract is valid for 30 years and may be renewed for up to two additional periods of up to five years each, subject to the terms and conditions set out in the contract. The power and authority to extend the term of existing and future contracts lies with the CNH. Under the existing contracts, 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 investment’s plans submitted to that effect, that such authority will not impose additional requirements for the renewal of such contract, 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.

The effects of a global 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 “—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 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.

Financial and securities markets in Argentina and the Argentine economy are influenced by the effects of global or regional financial crises and market conditions in other markets worldwide. Global economic instability such as uncertainty about global trade policies, the deterioration of economic conditions in Brazil (Argentina’s main trading partner) and of the economies of other major trading partners of Argentina, such as China or the United States, the withdrawal of the United Kingdom from the European Union (“Brexit”), geopolitical tensions between the United States and a number of foreign countries, the ongoing conflict between Russia and Ukraine, decisions by the Organization of Petroleum Exporting Countries (“OPEC”) and other non-OPEC oil-producing nations with respect to oil production quotas, idiosyncratic, political and social discords, terrorist attacks, sovereign debt downgrades, a pandemic disease, including the result of the COVID-19 pandemic, could impact the Argentine economy and jeopardize Argentina’s ability to correct its existing macro imbalances, among others. Although economic conditions vary from country to country, investors’ reactions to events occurring in one country sometimes demonstrate a “contagion” effect in which an entire region or class of investment is disfavored by international investors.

Consequently, there can be no assurance that the Argentine economy and securities markets will not be adversely impacted by events affecting the world, a particular region, developed economies, emerging markets or any of Argentina’s major trading partners, which could in turn adversely affect our business, financial condition and results of operations, and the market value of our ADSs. 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 economy and our financial condition and results of operations.

Restrictions on the supply of energy could negatively impact the Argentine economy and, therefore, our business, financial conditions and results of operations.

There has been a lack of investment in natural gas and electricity supply and transport capacity in Argentina in recent years, and 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, including, but not limited to: importing natural gas to compensate for shortages in local production, using BCRA reserves to purchase such imports given the absence of foreign direct investment, increasing the number of participants eligible to benefit from the Promotional Investment Regime under the Hydrocarbons Law, and creating Gas.Ar Plan. See “Item 4—Information on the Company—Industry and Regulatory Overview—Oil and Gas Regulatory Framework in Argentina.” 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.

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 production, 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 determined 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.

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 and legislative elections are scheduled for October 2023, with primary elections scheduled for August 2023. In addition, some provinces have separate calendars that are slightly ahead of the national calendar, such as the Province of Neuquén, which held elections on April 16, 2023.

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 the Argentine 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 2022 Corruption Perceptions Index survey of 180 countries, Argentina was ranked 94th (with one being the least corrupt country and 180 being the most corrupt country), decreasing from the previous survey in 2021.

As of the date of this annual report, there are various ongoing investigations into allegations of money laundering and corruption being conducted by the Argentine Public Prosecutor (*Ministerio Público Argentino*). 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 the outcome of any such investigations or allegations nor their effect on the Argentine political and economic instability, 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.

The Hydrocarbons Law 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, either at the Federal or Provincial level, depending on the location of such deposits. 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. See "Item 4—

Information on 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 has announced several budget cuts in recent years 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. 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.

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. There cannot be any assurance in the predictions of how the current 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 an 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.

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.

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.

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 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."

A new pandemic could have a significant adverse effect on our business operations, as was the case with the COVID-19 pandemic.

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. Since COVID-19 has spread throughout the world in 2020, 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. To mitigate the impact of the COVID-19 pandemic, the Argentine and Mexican governments, have over time implemented different measures involving mandatory social restrictions on mobility, closures of non-essential businesses, 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.

During 2020, the Company's revenues and financial condition were severely hit due to the reduced demand for oil and gas, and the collapse in oil and gas prices, driven by the COVID-19 pandemic. Due to these issues, we decided to stop all drilling and completion activities, both in Argentina and Mexico, which negatively impacted our production by delaying development projects. As a result, our loss for the year, net was US\$102.7 million in 2020 compared to US\$32.7 in 2019, and our Adjusted EBITDA was US\$95.6 million in 2020, a reduction of 44% compared to 2019.

During 2021 and 2022, the Argentine and Mexican governments gradually eased restrictions in place to contain the impact of the pandemic, such as re-opening schools, removing restrictions on domestic and international air travel, making the use of masks in public places optional, allowing public in massive sports and cultural events, in view of the progress made in vaccination campaigns.

On February 28, 2023, the CRE published the Resolution, whereby it reinstated, as of March 1, 2023, the procedures previously suspended by the CRE during the COVID-19 pandemic. After its publication in the Federal Register, the Resolution lifted the suspension of legal deadlines as of March 1, 2023. The Resolution intends to address the three-year delay and meet the needs of the regulated market. With this, CRE expects to respond to all the pending procedures. As of the date of the Resolution, there were 9,963 pending procedures, of which 7,887 relate to hydrocarbons, 858 to power, and 1,218 to pre-registration.

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

Joint and several tax liability.

The Mexican government approved and published a tax provision in the Mexican Federal Official Gazette (Diario Oficial de la Federación) whereby from January 1, 2022, Mexican resident companies may be joint and severally liable for the taxes triggered by non-Mexican tax residents on the sale or disposition, to another non-Mexican tax resident party, of their shares or securities representing property of assets, issued by such companies, if the relevant Mexican resident company fails to provide certain information in respect of certain dispositions or sales to the Mexican tax authorities and the non-Mexican seller fails to comply with the obligation to pay the relevant tax. Given the mechanisms and procedures inherent to stock exchanges, including the volume of trading in the NYSE, Mexican companies, including us, have practical challenges in identifying and tracking the sale or disposition of the ADSs held by our investors, irrespective of them being Mexican or non-Mexican tax resident. Therefore, if the non-Mexican resident fails to pay taxes triggered on the sale and we fail to comply with the abovementioned information obligation, the tax authorities may assess joint and several liability on the Company for any unpaid taxes derived from the disposition or sale of the ADSs conducted by non-Mexican residents to another non-Mexican resident where certain requirements set forth in the Mexican Tax Law and its regulations are not complied with for such sale or disposition of ADSs to be exempt in Mexico. This potential assessment could have an adverse effect on our business, equivalent to the joint and several liability of the unpaid taxes.

However, Vista has appealed this tax provision (*amparo*), with the intention of gaining an exemption to providing this information, and therefore not being considered in the joint and several tax liability obligations. As of the date hereof, our appeal has not been resolved.

Risks Related to our series A shares and the ADSs

The series A shares and ADSs are traded in 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 Depository. 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 several factors, including, but not limited to, the extent of investor interest in us, the attractiveness of our series A shares and the ADSs 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 Executive 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 may be impacted 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. 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. We do not have to comply with future audit rules promulgated by the Public Company Accounting Oversight Board (“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. This annual report does not include an attestation report of our independent registered public accounting firm related to management’s assessment of internal control over financial reporting. 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\$1.235 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, 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 S.D. Indeval, Institución para el Depósito de Valores, S.A. de C.V. (“Indeval”) and before such custodian transfers any such distributions to the depository for your benefit, it would be required to deduct withholding taxes, if any. The depository 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 depository converting any distribution into U.S. Dollars, the amount of such distribution may decrease in terms of U.S. Dollars; and we and the depository 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 (the “Plan”) in April 2018 for the purpose 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 Plan, our Board of Directors is authorized to grant restricted series A shares or ADS (“Restricted Stock”) and options to purchase our series A shares or ADS (“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 Plan. Additionally, the series A shares repurchased by the Company through our buy-back program may be allocated to the Plan.

Additionally, the vesting of series A shares reserved for the Long-Term Incentive Plan (or the allocation to the Plan of the series A shares repurchased by the Company through our buy-back program) may cause immediate dilution to our existing shareholders and may also have a dilutive effect on our earnings per share. If all series A

shares currently reserved for the Plan, in addition to all the shares repurchased through the ongoing buy-back program, became outstanding, our issued and outstanding share capital would increase 6% from 92,883,542 series A shares outstanding as of the date of this annual report to 98,781,026 series A shares.

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), 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.

The payment and amount of dividends, or share buybacks, are subject to the determination of our shareholders.

The amount available for cash dividends, or share buybacks, 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, or share buybacks, 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, or share buybacks, 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, or share buy-back, to our shareholders or, if recommended, that our shareholders will approve such a dividend payment or share buy-back. The payment of dividends, or share buybacks, 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.

The payment and amount of Vista Argentina's dividends are subject to certain restrictions from the BCRA.

Pursuant to the foreign exchange regulations imposed by the BCRA, companies resident in Argentina may only have access the foreign exchange market to purchase foreign currency and transfer it abroad for the payment of profits and dividends to non-resident shareholders, if certain conditions are met and/or they have the prior approval of the BCRA. Although only Vista Argentina's dividends are subject to the restrictions imposed by the BCRA, such restrictions may affect our ability to pay dividends or complete share buybacks because the main source of cash generation is in Argentina.

There can be no assurance that the BCRA will not increase or relax such controls or restrictions, make modifications to these regulations, establish more severe restrictions on currency exchange, or maintain the current foreign exchange regime or create multiple exchange rates for different types of transactions, substantially modifying the applicable exchange rate at which we acquire currency to service our outstanding liabilities denominated in currencies other than the Peso, all of which could undermine our ability to pay dividends to foreign shareholders and to distribute all the net cash flow generated in the form of dividends or buybacks. Consequently, these exchange controls and restrictions could materially adversely affect the Argentine economy and our business, financial condition and results of operations. See "Item 10—Additional Information—Exchange Controls" for additional information.

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 audited financial statements. Confidence in the reliability of our audited 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, 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. However, for as long as we are an "emerging growth company" under the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404. We may follow these reporting exemptions until we are no longer an emerging growth company (see "—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). 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. 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. While we currently meet this requirement, we might cease to do so in the future, given that, 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 executive 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 Executive 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 Executive 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 depository 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 depository 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 Energy, 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 Pedregal No. 24, Floor 4, Colonia Molino del Rey, Alcaldía Miguel Hidalgo, Mexico City, Zip Code 11040, Mexico. Our telephone number at this location is +52 (55) 8647-0128. Our website is <http://www.vistaenergy.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.

Recent Developments

Transaction to increase focus on shale oil operations in Vaca Muerta

On February 23, 2023, Vista announced a two-phase transaction (the “Conventional Assets Transaction”) between Vista Argentina and Petrolera Aconcagua Energía S.A. (“Aconcagua”) to increase its focus on its shale oil operations in Vaca Muerta and strengthen shareholder returns.

Under the terms of the Conventional Assets Transaction, effective March 1, 2023:

- (i) Aconcagua became the operator of the following exploitation concessions in the Neuquina Basin located in Argentina: Entre Lomas, located in the Province of Neuquén, and Entre Lomas, Jarilla Quemada, Charco del Palenque, Jagüel de los Machos and 25 de Mayo-Medanito SE, located in the Province of Río Negro (the “CAT Exploitation Concessions”). Additionally, Aconcagua became the operator of the following transportation concessions: the Entre Lomas gas transportation concession, the Jarilla Quemada gas transportation concession, and the 25 de Mayo-Medanito SE

crude oil transportation concession (the “CAT Transportation Concessions,” and together with the CAT Exploitation Concessions, the “CAT Concessions”);

- (ii) Aconcagua will pay Vista US\$26.47 million in cash (US\$10.00 million paid on February 15, 2023, US\$10.73 million to be paid on March 1, 2024, US\$5.73 million to be paid on March 1, 2025);
- (iii) Vista Argentina retains 40% of the crude oil and natural gas production, and 100% of liquified petroleum gas, gasoline, and condensates, from the CAT Exploitation Concessions (with Aconcagua paying all costs, taxes, and royalties) until the earlier of (a) the final closing date on February 28, 2027 and (b) the date in which Vista Argentina receives a cumulative production of 4 million barrels of crude oil and 300 million m³ of natural gas. On the other hand, Aconcagua is entitled to 60% of the crude oil and natural gas production from the CAT Exploitation Concessions;
- (iv) Aconcagua will pay 100% of Vista Argentina’s share of the capex, opex, royalties, taxes, and any other costs associated with the CAT Exploitation Concessions;
- (v) Vista Argentina has the right to purchase from Aconcagua up to Aconcagua’s 60% share of the natural gas produced by the CAT Exploitation Concessions at a price of US\$1 per million BTU until the the final closing date on February 28, 2027;
- (vi) Vista Argentina and Aconcagua will work jointly with the Provinces of Río Negro and Neuquén to negotiate an extension of the exploitation and transportation concession titles governing the CAT Concessions, including an upfront payment and an investment commitment, as per the terms set forth in the applicable regulation in Argentina;
- (vii) Vista Argentina retains the right to explore and develop the Vaca Muerta formation in the CAT Exploitation Concessions and seek to obtain one or more independent and separate unconventional concessions to develop such resources;
- (viii) Vista Argentina and Aconcagua have signed an agreement whereby Vista Argentina will treat and transport 100% of the crude oil produced in the CAT Exploitation Concessions (except for 25 de Mayo-Medanito SE and Jagüel de los Machos) until the expiration of the concession titles (including the potential 10-year extension);
- (ix) Vista Argentina remains concession title holder until no later than the final closing date on February 28, 2027, when the CAT Concessions will be transferred to Aconcagua, subject to provincial approvals.

The Entre Lomas crude oil transportation concession, which includes a 57,000 bbl/d oil treatment plant geographically located in the Entre Lomas Río Negro concession and a net book value of US\$20 million as of December 31, 2022, was excluded from the Conventional Assets Transaction.

The following pro forma table shows the impact on the results of operations resulting from the Conventional Assets Transaction as if such transaction had occurred on March 1, 2022:

	2022	Pro forma adjustments 2022	Pro forma 2022
Production (Mboe/d)	48.6	5.1	43.4 ⁽¹⁾
Total Proved Reserves, (MMboe)	251.6	(7.5)	244.1 ⁽¹⁾
Net acreage in Argentina (Acres) by year end	569,197	(359,200)	209,997 ⁽²⁾
Net operated productive wells in Argentina by year end	1,144	(924)	220

- (1) Excludes 60% of oil and gas production and reserves corresponding to CAT Exploitation Concessions.
- (2) Excludes 100% of CAT Exploitation Concessions acreage.

Successful result in Bajada del Palo Este

On April 18, 2023, Vista announced successful results in the third well drilled, completed and tied-in in the Bajada del Palo Este, well BPE-2301h, located in the south-eastern part of the block. Well BPE-2301h targeted the La Cocina landing zone of Vaca Muerta, with a lateral length of 2,818 meters and 48 completion stages.

The cumulative production of well BPE-2301h for the first 60 days was 74.9 thousand Mboe, with a peak IP-30 of 1,547 boe/d. The oil content of the well was approximately 99% of total production. Additionally, the robust performance in well BPE-2301h boosted Bajada del Palo Este total production from 2,994 boe/d in Q4-2022 to 4,248 boe/d in March 2023.

Based on the successful results in BPE-2301h, the Company has increased its estimated ready-to-drill inventory in the block from up to 50 to up to 150 wells.

Debt issuance

On March 3, 2023, Vista Argentina issued (i) notes for a nominal amount of US\$118.5 million at a fixed annual nominal interest rate of 0%, the principal amount of which will be repayable in full in a single installment on the maturity date, March 3, 2027, and (ii) notes for a nominal amount of US\$16.5 million at a fixed annual nominal interest rate of 1%, the principal amount of which will be repayable in full in a single installment on the maturity date, March 3, 2028.

Exercise of Warrants

On October 4, 2022, Vista held a warrant holders' meeting during which the warrant holders approved the amendments to the warrant indenture and the global certificate that covers such Warrants proposed by the Company, by means of which a cashless exercise mechanism was implemented that entitled the warrant holders to, in their sole discretion or at Vista's discretion—in the latter case, with respect to all outstanding warrants and without any further request, notice or communication required to or from warrant holders or any other person (the "Automatic Cashless Exercise")—obtain one Series A share representative of the capital stock of the Company for each 31 Warrants owned.

Between October 10, 2022 and March 7, 2023, the warrants holders exercised 75,144,465 warrants, and as a result of such exercise, 2,424,015 additional series A shares became outstanding.

On March 7, 2023, Vista concluded the process with the CNBV to update the registration of Vista's warrants in the RNV enabling the Automatic Cashless Exercise. On March 15, 2023, by virtue of such Automatic Cashless Exercise, and after giving effect thereto, the 24,535,535 outstanding Warrants were exercised, and 791,439 additional series A shares became outstanding. By virtue of the exercise of all Warrants (i.e., those exercised by the warrant holders before the Automatic Cashless Exercise, plus those exercised pursuant to such Automatic Cashless Exercise), the total number of series A shares that became outstanding is 3,215,454. As of the date of this annual report, there are no outstanding warrants.

As a result of the above, the Strategic Partners Agreement (as defined below) has come to an end as the terms thereof are no longer applicable.

Series C Repurchase

On March 17, 2023, Vista concluded a transaction that resulted in the acquisition of the two outstanding series C shares, pursuant to the share repurchase program authorized by the Company's shareholders using the

repurchase fund. These series C shares are currently held by the Company, and no economic or corporate rights might be exercised in connection therewith.

Amendments to the Company's Bylaws

On the ordinary and extraordinary shareholders' meeting held on April 24, 2023, the Company's shareholders approved, among other things, certain amendments to the Company's bylaws for purposes of eliminating the references to the Strategic Partners Agreement as such references are no longer applicable.

BUSINESS OVERVIEW

We are an independent Latin American, shale oil-focused company operating since April 4, 2018, with our main assets located in the Neuquina basin, Argentina. Vaca Muerta is the largest shale oil and gas play under development outside North America, where we have rights to develop approximately 183,100 acres. We are also the holders of 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:

Deep, ready-to-drill, short-cycle well inventory. Our growth plan is based on developing our approximately 1,000-well inventory in Vaca Muerta, out of which 550 wells are in Bajada del Palo Oeste, 150 in Aguada Federal, 150 in Bandurria Norte and 150 in Bajada del Palo Este, in line with the highest efficiency and safety standards. As of December 31, 2022, we had tied-in 60 wells in Bajada del Palo Oeste. Additionally, during 2022, we tied-in our first two wells in Bajada del Palo Este and our first six wells in Aguada Federal. This activity boosted our production to 54.7 Mboe/d during the fourth quarter of 2022, representing a 33% growth interannually. Our proved certified reserves increased to 251.6 Mboe as of December 31, 2022. Our well inventory in Aguila Mora will be updated in the upcoming quarters upon completion of the ongoing pilot.

Peer-leading operating performance. We believe the productivity of our new wells demonstrates the quality of our Vaca Muerta acreage. As of December 31, 2022, the Vista average well (representing the average of our pads BPO-1 to BPO-10) was performing 3% above our Bajada del Palo Oeste type curve after 360 days of production. This productivity performance places our wells among the best of Vaca Muerta.

Production growth driven by Bajada del Palo Oeste, and our rebased cost structure led to the decrease of lifting cost to 7.5 \$/boe in 2022 from 13.9 \$/boe in 2018.

Robust balance sheet and financial performance. Cash & cash equivalents at the end of 2022 was US\$244 million. During the year 2022, the profit for the year, net totaled US\$269.5 million. The Adjusted EBITDA for 2022 was US\$764.5 million and net leverage ratio as of December 31, 2022, was 0.4x Adjusted EBITDA.

ESG-focused culture. At Vista, we aim to develop our business in a sustainable way. We aspire to become net zero in scope 1 & 2 GHG emissions by 2026, combining (i) a 35% reduction in our operating carbon footprint, in absolute terms, compared to 2020 emissions, with (ii) the implementation of nature-based solution projects to remove the remaining carbon emissions. During 2022, we reduced the intensity of Scope 1 and 2 GHG emissions by 25% year-on-year, i.e., from 24 kgCO₂e/boe to 18 kgCO₂e/boe. We are currently executing the Company's first four Natural-Based Solutions projects.

Safety is a bedrock of our Company, and we aim to operate with the highest oil & gas industry standards in accordance with the International Association of Oil and Gas Producers ("IOGP") and the global oil and gas industry association for environmental and social issues ("IPIECA"). In 2022, we had a TRIR of 0.86, which was below one for the third consecutive year. Furthermore, in 2022 we recorded no major oil spill incidents.

We strongly believe in the value of developing an organizational culture that promotes diversity, equity and inclusion at each level. We aim to develop these capacities in our employees and leaders, through the execution of

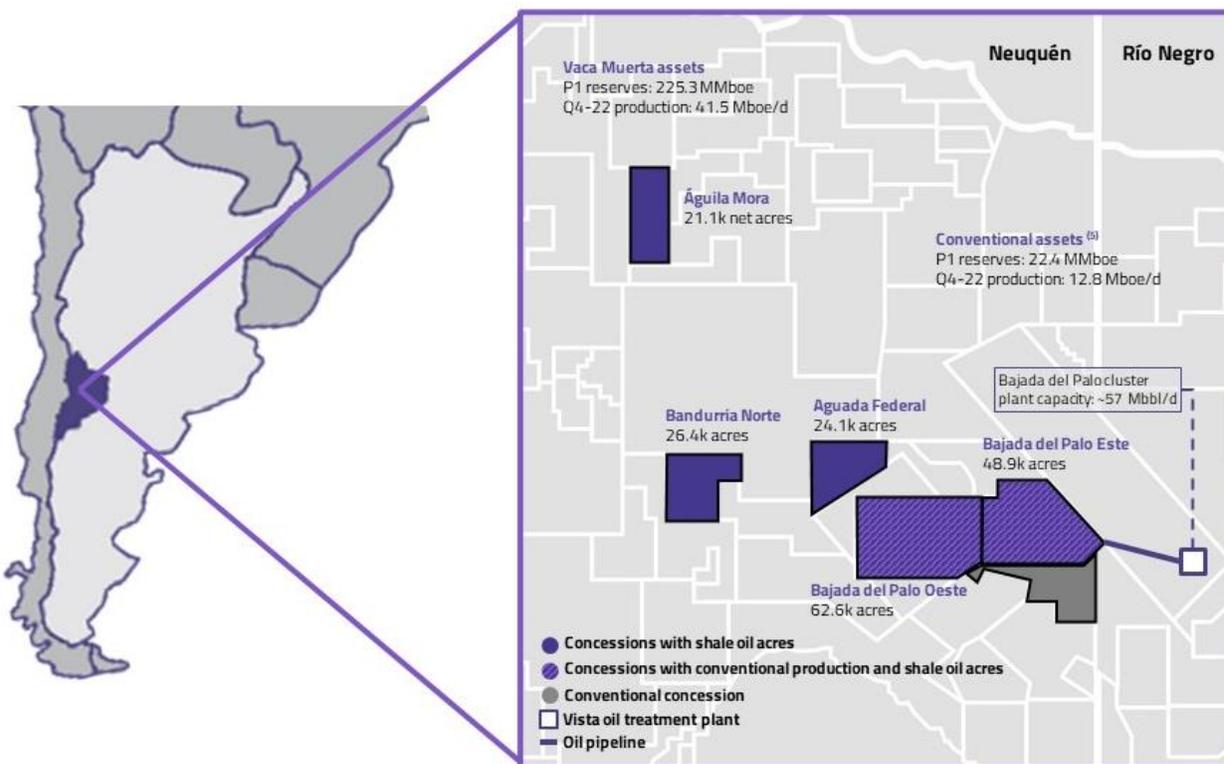
several projects and initiatives captured by our Vista Diversity Equity & Inclusion (“DEI”) program. In 2022, 45% of new hires were women, raising the share of female employees by 2 pps to 22%. In addition, we invested approximately US\$736,000 in social development. Our goal is to create a work environment where our people feel they can exchange ideas and opinions, regardless of race, gender, nationality, religion and beliefs. See “Item 4—Information of the Company—ESG Matters.”

We are committed to enhancing the development of the communities in which we operate, with an inclusive business model, and reinforcing the sense of belonging through open dialogue, active cooperation, volunteering and social commitment.

We are committed with the implementation of transparent and solid principles in our corporate governance, which strengthen trust and credibility with our interest groups. We are aligned with Global Reporting Initiative (“GRI”) Oil and Gas Sector Standard 2021 and GRI Universal Standards 2021 framework and the Sustainability Accounting Standards Board (“SASB”) for industry-specific ESG topics most relevant to our financial performance and long-term value creation. For the second consecutive year, 2022 Sustainability Report will include information aligned with the recommendations published by the Task Force on Climate-Related Financial Disclosures (“TCFD”) and will have limited assurance on certain relevant GRI indicators. We are signatories to the United Nations Global Compact’s Ten Principles on human rights, labor, environment and anti-corruption. Our Board of Directors has oversight of all sustainability related actions through our Corporate Practices Committee.

Our Operations

The following map illustrates the location of our concessions in Argentina as of the date of this annual report:



- (1) Includes production and reserves from Acambuco concession, not shown on this map. It also includes production and reserves from assets transferred to Aconcagua, effective on March 1, 2023. Following that date, Vista remains entitled to 40% of crude oil and natural gas production and reserves, and 100% of LPG and condensates production and reserves, of the transferred assets

During 2022, our average daily production was 48,560 boe/d. As of December 31, 2022, our portfolio of assets included working interests in 14 hydrocarbon concessions, 13 of which were located in Argentina and one in Mexico. We operated 13 of those concessions, which represented 99.7% of our net production. Additionally, in Argentina, we held approximately 570,000 net acres, of which we operated 99%. As of December 31, 2022, our total proved reserves were 251.6 MMboe, of which 83% consist of oil and 98% of which were located in Argentina. During the fourth quarter of 2022, we were the second largest shale oil producer in Argentina, according to the SdE. In 2022, our shale production was 41,479 boe/d.

The following table presents information on our concessions as of the date of this annual report, and estimated reserves and production as of December 31, 2022:

Block	Gross acres	Net acres	Interest	Operator	Net proved reserves as of Dec. 31, 2022 (MMboe)	Average net production for the year ended Dec. 31, 2022 (Mboe/d)	Concession Expiration
Neuquina Basin							
Bajada del Palo Oeste.....	62,641	62,641	100%	Vista	186.4	31.4	2053
Entre Lomas Río Negro.....	83,349	83,349	100% ⁽⁶⁾	Vista	6.0	3.4	2026
Jagüel de los Machos	48,359	48,359	100% ⁽⁶⁾	Vista	2.7	2.9	2025
25 de Mayo-Medanito.....	32,247	32,247	100% ⁽⁶⁾	Vista	3.0	2.5	2026
Entre Lomas Neuquén	99,665	99,665	100% ⁽⁶⁾	Vista	1.5	1.5	2026
Bajada del Palo Este	48,853	48,853	100%	Vista	8.5	2.9	2053

Coirón Amargo Norte.....	26,598	22,508	84.6%	Vista	0.8	0.2	2037
Jarilla Quemada ⁽¹⁾ ...	47,617	47,617	100% ⁽⁶⁾	Vista	0.0	0.3	2040
Coirón Amargo Sur Oeste.....	16,440	-	- ⁽²⁾	Shell	-	-	-
Águila Mora	23,475	21,128	90%	Vista	-	-	2054
Charco del Palenque	47,963	47,963	100% ⁽⁶⁾	Vista	0.7	0.0	2034
Aguada Federal	24,058	24,058	100% ⁽³⁾	Vista	37.4	2.8	2050
Bandurria Norte	26,404	26,404	100% ⁽³⁾	Vista	-	-	2050
Golfo San Jorge Basin							
Sur Río Deseado Este (“SRDE”).....	75,604	-	- ⁽⁴⁾	Alianza Petrolera	-	-	-
Noroeste Basin							
Acambuco.....	293,747	4,406	1.5%	Pan American Energy	0.7	0.1	2036/2040
Mexico							
CS-01.....	23,517	23,517	100% ⁽⁵⁾	Vista	4.0	0.5	2047

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

(2) Fully divested 10% working interest to Shell. The effective date of the transaction was April 1, 2021.

(3) Acquired 50% working interest in Aguada Federal and Bandurria Norte concessions on September 16, 2021. Acquired an additional 50% working interest in Aguada Federal and Bandurria Norte concessions on January 17, 2022.

(4) The 25-year term of the SRDE exploitation concession, with a 16.9% working interest, expired on March 21, 2021. Vista decided not to request the 10-year extension filed by the operator.

(5) As of March 25, 2021, we increased our working interest in CS-01 from 50% to 100%. As of April 29, 2021, we reduced our working interest in A-10 and TM-01 from 50% to 0%, through an asset transfer with Jaguar Exploración y Producción 2.3., S.A.P.I. de C.V. and Pantera Exploración y Producción 2.2., S.A.P.I. de C.V.

(6) Assets transferred to Aconcagua, effective on March 1, 2023. After such date Vista remains entitled to 40% of crude oil and natural gas production and reserves, and 100% of LPG and condensates production and reserves, of the transferred assets.

As a result of the Conventional Assets Transaction, as of the date of this annual report, we hold (i) 100.00% operated interest in the following exploitation concessions: Bajada del Palo Oeste and Bajada del Palo Este, Aguada Federal, Bandurria Norte, and CS-01, (ii) 84.62% operated interest in the exploitation concession Coirón Amargo Norte, (iii) 90% operated interest in the exploitation concession Águila Mora, and (iv) 1.50% non-operating interest in the unconventional exploitation concession Acambuco.

Main Operating Subsidiaries

Vista Energy Argentina S.A.U.

Vista Energy Argentina S.A.U. (formerly “Vista Oil & Gas Argentina S.A.”, and prior thereto “Petrolera Entre Lomas S.A.”) is an Argentine company with offices in Buenos Aires and Neuquén. In the Neuquina Basin, Vista Argentina currently holds a (i) 100.00% operated interest in the following blocks: Bajada del Palo Oeste and Bajada del Palo Este unconventional exploitation concessions, located in the Province of Neuquén, (ii) 84.62% operated interest in the exploitation concession Coirón Amargo Norte located in the Province of Neuquén, (iii) 50% operated interest in the Aguada Federal and Bandurria Norte unconventional exploitation concessions, located in the Province of Neuquén, (iv) 90% operated interest in the unconventional exploitation concession Águila Mora located in the Province of Neuquén, and (v) 1.50% non-operating interest in the exploitation concession Acambuco, located in the Province of Salta, operated by Pan American Energy LLC (Argentine Branch). As of December 31, 2022, Vista Argentina had 431 direct employees.

Vista Energy Holding I, S.A. de C.V.

Vista Energy Holding I, S.A. de C.V. (formerly, “Vista Oil & Gas Holding I, S.A. de C.V.”) is a Mexican company with administrative offices in Mexico City incorporated for purposes of, among other things, participating 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 Energy Argentina S.A.U. and a 100% indirect interest in AFBN S.R.L., Aluvional S.A. and Aleph Midstream S.A.

Vista Energy Holding II, S.A. de C.V.

Vista Energy Holding II, S.A. de C.V. (formerly, “Vista Oil & Gas Holding II, S.A. de C.V.”) is a Mexican company with administrative offices in Mexico City incorporated for purposes of exploring and extracting 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 100% working interests in the CS-01. As of December 31, 2022, Vista Energy Holding II, S.A. de C.V. had 17 employees.

AFBN, S.R.L.

AFBN, S.R.L. (formerly, “ConocoPhillips Argentina Ventures S.R.L.”) is a company organized and existing under the laws of Argentina dedicated to the E&P of hydrocarbons and the commercialization of oil, natural gas and NGL. In the Neuquina Basin, it currently holds a 50% non-operated interest in the Aguada Federal and Bandurria Norte unconventional exploitation concessions. Vista Energy Holding I, S.A. de C.V. holds a 4.31% direct interest in AFBN, S.R.L. The remaining interest is held by Vista Energy Argentina S.A.U. with 14,80% and Vista Holding VII S.á.r.l with 80,89%, the latter being a wholly-owned legal entity. As of December 31, 2022, AFBN, S.R.L. had no direct employees.

Aleph Midstream S.A.

Aleph Midstream S.A. is a company organized and existing under the laws of Argentina 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. Vista Energy Holding I, S.A. de C.V. holds a 36.08% direct interest in Aleph Midstream. The remaining 63.92% interest is held by Vista Oil & Gas Holding V B.V. As of December 31, 2022, Aleph Midstream S.A. had no direct employees.

On March 31, 2020, Vista completed an acquisition of all of the issued and outstanding equity interests of each of the Financial Sponsors in Aleph Midstream S.A. from affiliates of Riverstone, Southern Cross Group and certain individual co-sponsors (the “Financial Sponsors”), 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 S.A.

Aluvional 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. Aluvional S.A. holds 10-year term concessions of 15 quarries of siliceous sand, all of them located in the Province of Río Negro. Vista Oil & Gas Holding I, S.A. de C.V. holds a 95% direct interest in Aluvional S.A. The remaining 5% interest is held by Vista Energy Argentina SAU. As of December 31, 2022, Aluvional S.A. had 14 employees.

Aike NBS S.A.U.

Aike NBS S.A.U. is a company organized and existing under the laws of Argentina that started operating in May 2022 and is dedicated to the management of all types of forestry, livestock and agricultural projects aimed at the

generation of certified carbon credits. Vista Energy S.A.B. de C.V. holds 100% direct interest in Aike NBS S.A.U. As of December 31, 2022, Aike NBS S.A.U. had three direct employees.

Argentina

Overview

During the year ended December 31, 2022, our production was concentrated in the Neuquina Basin, mostly in Bajada del Palo Oeste. As of December 31, 2022, we also owned some assets in the Noroeste Basin which, together with the Neuquina Basin assets, amount to approximately 570,000 net acres. As of December 31, 2022, we owned 1,144 productive wells and approximately 193 injector wells in Argentina.

As a result of the Conventional Assets Transaction, we transferred the operations of a portion of our assets in Argentina, effective March 1, 2023. See “Item 4—Information on the Company—History and Development of the Company—Recent Developments— Transaction to increase focus on shale oil operations in Vaca Muerta.”

We have approximately 183,100 net acres located in the Vaca Muerta shale oil formation in Bajada del Palo Oeste, Bajada del Palo Este, Águila Mora, Aguada Federal and Bandurria Norte. We operate 100% of our shale net acreage. As of December 31, 2022, we had tied-in 60 shale oil wells targeting the Vaca Muerta formation in Bajada del Palo Oeste. Additionally, during 2022 we tied-in our first two shale wells in Bajada del Palo Este and our first six shale wells in Aguada Federal. This took our shale production to 34.7 Mboe/d by the year end, boosted by strong individual well performance.

We have a significant inventory of up to approximately 1,000 drilling locations targeting the Vaca Muerta shale oil formation within our core development acreage, which provide us with more than 20 years of drilling inventory. Our drilling inventory is currently located in the Bajada del Palo Oeste, Bajada del Palo Este, Aguada Federal and Bandurria Norte blocks. We intend to expand our drilling inventory by testing additional landing zones and further delineating our acreage in the Águila Mora block.

As of December 31, 2022, our total proved reserves in Argentina were 247.7 MMboe, of which 83% consisted of oil reserves. Our average daily production for the year ended December 31, 2022 was 48,087 boe/d, of which 82% was crude oil, 17% natural gas and the remaining 1% was NGL. We have reduced our average operating cost from US\$13.9 per boe during the year ended December 31, 2021 to US\$7.5 per boe for the year ended December 31, 2022.

Crude Oil Production and Natural Gas Production in Argentina

The tables below outline the average oil, gas and NGL net production, for the periods ended December 31, 2022, 2021 and 2020.

Block	Average net oil production for the year ended December 31, 2022 (Mbbbl/d) ⁽⁵⁾	Average net gas production for the year ended December 31, 2022 (MMm ³ /d) ⁽⁵⁾	Average net NGL production for the year ended December 31, 2022 (Mbbbl/d) ⁽⁵⁾
Neuquina Basin			
Bajada del Palo Oeste	26.4	5.0	-
Entre Lomas Río Negro ⁽⁶⁾	2.4	0.7	0.4
Jagüel de los Machos ⁽⁶⁾	2.2	0.7	-
25 de Mayo-Medanito ⁽⁶⁾	2.3	0.2	-
Entre Lomas Neuquén ⁽⁶⁾	1.0	0.5	0.1
Bajada del Palo Este	2.5	0.4	0.1
Coirón Amargo Norte	0.2	0.0	-
Jarilla Quemada ^{(1) (6)}	0.2	0.1	-
Coirón Amargo Sur Oeste ⁽²⁾	-	-	-
Águila Mora	-	-	-
Charco del Palenque ^{(1) (6)}	-	-	-
Aguada Federal ⁽³⁾	2.5	0.3	-
Bandurria Norte ⁽³⁾	-	-	-

	Average net oil production for the year ended December 31, 2022 (Mbbbl/d) ⁽⁵⁾	Average net gas production for the year ended December 31, 2022 (MMm ³ /d) ⁽⁵⁾	Average net NGL production for the year ended December 31, 2022 (Mbbbl/d) ⁽⁵⁾
Block			
Golfo San Jorge Basin			
Sur Río Deseado Este ⁽⁴⁾	-	-	-
Noroeste Basin			
Acambuco	0.0	0.1	-

- (1) Jarilla Quemada consolidates the Agua Amarga production information (Jarilla Quemada plus Charco del Palenque production).
- (2) Fully divested a 10% working interest to Shell. The effective date of the transaction was April 1, 2021.
- (3) Acquired 50% working interest in Aguada Federal and Bandurria Norte concessions on September 16, 2021. Acquired an additional 50% working interest in Aguada Federal and Bandurria Norte concessions on January 17, 2022.
- (4) The 25-year term of the SRDE exploitation concession, with a 16.9% working interest, expired on March 21, 2021. Vista decided not to request the 10-year extension filed by the operator.
- (5) Oil production is comprised of the production of crude oil, condensate and natural gasoline. Natural gas production excludes natural gas consumption. NGL production is comprised of the production of propane and butane (LPG) and excludes natural gasoline.
- (6) Assets transferred to Aconcagua, effective on March 1, 2023. After such date Vista remains entitled to 40% of crude oil and natural gas production and reserves, and 100% of LPG and condensates production and reserves, of the transferred assets.

	Average net oil production for the year ended December 31, 2021 (Mbbbl/d) ⁽⁵⁾	Average net gas production for the year ended December 31, 2021 (MMm ³ /d) ⁽⁵⁾	Average net NGL production for the year ended December 31, 2021 (Mbbbl/d) ⁽⁵⁾
Block			
Neuquina Basin			
Bajada del Palo Oeste	20.8	0.8	-
Entre Lomas Río Negro	2.3	0.1	0.3
Jagüel de los Machos	2.3	0.1	-
25 de Mayo-Medanito	2.4	0.0	-
Entre Lomas Neuquén	1.1	0.1	0.1
Bajada del Palo Este	0.4	0.1	0.1
Coirón Amargo Norte	0.3	0.0	-
Jarilla Quemada ⁽¹⁾	0.2	0.0	0.0
Coirón Amargo Sur Oeste ⁽²⁾	0.0	0.0	-
Águila Mora	-	-	-
Charco del Palenque ⁽¹⁾	-	-	-
Aguada Federal ⁽³⁾	0.1	0.0	-
Bandurria Norte ⁽³⁾	-	-	-
Golfo San Jorge Basin			
Sur Río Deseado Este ⁽⁴⁾	-	-	-
Noroeste Basin			
Acambuco	0.0	0.0	-

- (1) Jarilla Quemada consolidates the Agua Amarga production information (Jarilla Quemada plus Charco del Palenque production).
- (2) Fully divested a 10% working interest to Shell. The effective date of the transaction was April 1, 2021.
- (3) Acquired 50% working interest in Aguada Federal and Bandurria Norte concessions on September 16, 2021. Acquired an additional 50% working interest in Aguada Federal and Bandurria Norte concessions on January 17, 2022.
- (4) The 25-year term of the SRDE exploitation concession, with a 16.9% working interest, expired on March 21, 2021. Vista decided not to request the 10-year extension filed by the operator.
- (5) Oil production is comprised of the production of crude oil, condensate and natural gasoline. Natural gas production excludes natural gas consumption. NGL production is comprised of the production of propane and butane (LPG) and excludes natural gasoline.

Block	Average net oil production for the year ended December 31, 2020 (Mbbbl/d) ⁽²⁾	Average net gas production for the year ended December 31, 2020 (MMm ³ /d) ⁽²⁾	Average net NGL production for the year ended December 31, 2020 (Mbbbl/d) ⁽²⁾
Neuquina Basin			
Bajada del Palo Oeste	8.3	0.59	-
Entre Lomas Río Negro	2.6	0.23	0.4
Jagüel de los Machos	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.

Concessions

As of the date of this annual report, we have working interests in the following oil and gas concessions in Argentina:

Neuquina Basin: (a) a 100% operating interest in the exploitation concessions Bajada del Palo Oeste, Bajada del Palo Este, Aguada Federal, Bandurria Norte (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 (as operator); and

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

As a result of the Conventional Assets Transaction, we transferred the operations of a portion of our assets in Argentina, effective March 1, 2023. See “Item 4—Information on the Company—History and Development of the Company—Recent Developments— Transaction to increase focus on shale oil operations in Vaca Muerta.”

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.

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 182.8 MMboe of shale reserves and 3.7 MMboe of conventional reserves as of December 31, 2022, and

production of 31.4 Mboe/d (84% oil) for the year ended December 31, 2022. The 35-year term unconventional exploitation concession was granted to us in December 2019 and expires on December 19, 2053. In connection with the granting of such unconventional concession, as of December 31, 2022, Vista had already fulfilled the commitment of drilling eight horizontal wells for a total investment of US\$105.6 and US\$14.7 million related facilities.

During 2022, we completed and tied-in five pads (pad BPO-11 to BPO-15), adding 20 shale oil wells and taking the shale oil well count in Bajada del Palo Oeste to 60 at year-end 2022. Total shale production in 2022 increased to 34,671 boe/d, out of which 29,730 boe/d corresponds to the shale production of Bajada del Palo Oeste.

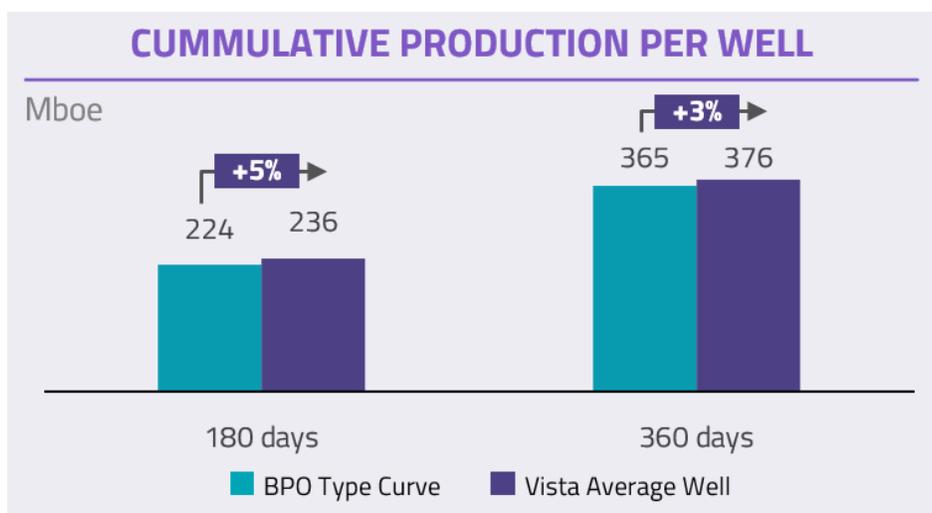
The table below details the drilling and completion design of all our wells that have been tied-in as of the date of this annual report:

Well name	Pad number ⁽¹⁾	Landing zone	Lateral length (mts)	Total completion stages
2013	BPO-1	Organic	2,483	33
2014	BPO-1	La Cocina	2,633	35
2015	BPO-1	Organic	2,558	34
2016	BPO-1	La Cocina	2,483	34
2029	BPO-2	Organic	2,189	37
2030	BPO-2	La Cocina	2,248	38
2032	BPO-2	Organic	2,047	35
2033	BPO-2	La Cocina	1,984	33
2061	BPO-3	La Cocina	2,723	46
2062	BPO-3	Organic	2,624	44
2063	BPO-3	La Cocina	3,025	51
2064	BPO-3	Organic	1,427	36
2025	BPO-4	Lower Carbonate	2,186	26
2026	BPO-4	La Cocina	2,177	44
2027	BPO-4	Lower Carbonate	2,551	31
2028	BPO-4	La Cocina	2,554	51
2501	BPO-5	La Cocina	2,538	52
2502	BPO-5	Organic	2,436	50
2503	BPO-5	La Cocina	2,468	50
2504	BPO-5	Organic	2,332	44
2391	BPO-6	La Cocina	2,715	56
2392	BPO-6	Organic	2,804	54
2393	BPO-6	La Cocina	2,732	56
2394	BPO-6	Organic	2,739	57
2261	BPO-7	La Cocina	2,710	46
2262	BPO-7	Organic	2,581	45
2263	BPO-7	La Cocina	2,609	45
2264	BPO-7	Organic	2,604	46
2211	BPO-8	Organic	2,596	53
2212	BPO-8	La Cocina	2,576	53
2213	BPO-8	Organic	2,608	54
2214	BPO-8	La Cocina	2,662	54
2351 ⁽²⁾	BPO-9	La Cocina	3,115	63
2352 ⁽²⁾	BPO-9	Organic	3,218	62
2353 ⁽²⁾	BPO-9	La Cocina	3,171	61
2354 ⁽²⁾	BPO-9	Organic	2,808	56
2441 ⁽²⁾	BPO-10	La Cocina	3,094	63
2442 ⁽²⁾	BPO-10	Organic	2,883	50
2443 ⁽²⁾	BPO-10	La Cocina	2,816	57
2444 ⁽²⁾	BPO-10	Organic	2,625	45
2081 ⁽²⁾	BPO-11	La Cocina	2,785	49
2082 ⁽²⁾	BPO-11	Organic	2,662	41
2083 ⁽²⁾	BPO-11	La Cocina	2,365	37
2084 ⁽²⁾	BPO-11	Organic	2,378	35
2311 ⁽²⁾	BPO-12	La Cocina	3,104	54

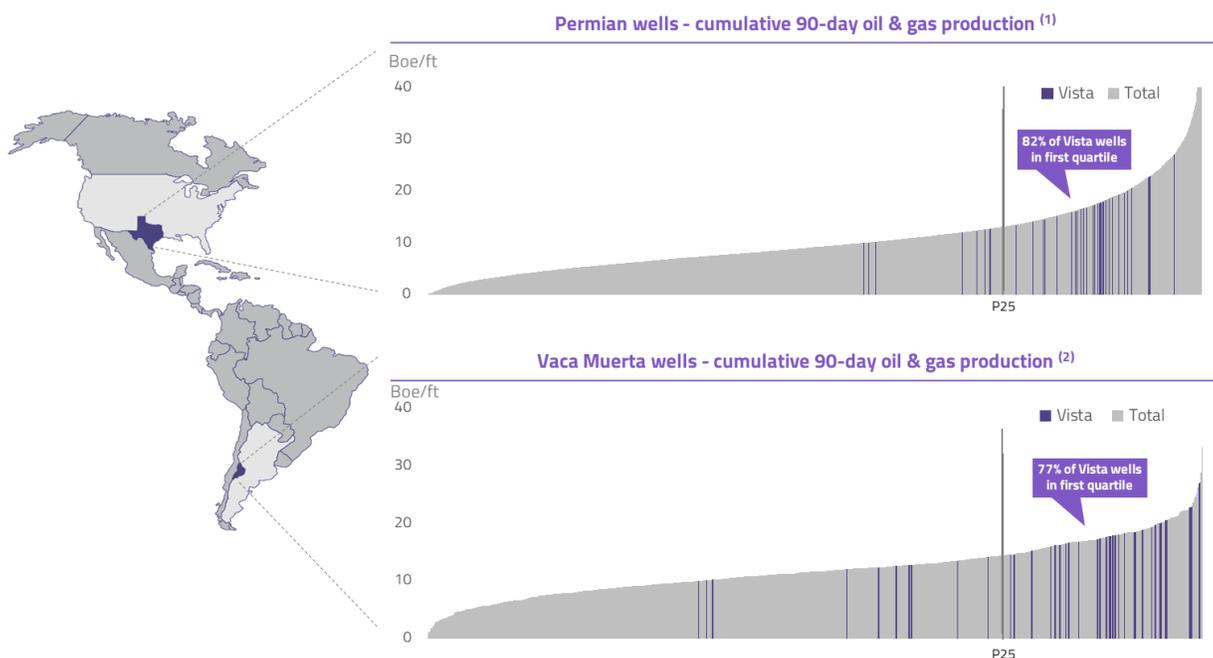
2312 ⁽²⁾	BPO-12	Organic	3,161	55
2313 ⁽²⁾	BPO-12	La Cocina	3,259	55
2481 ⁽²⁾	BPO-13	La Cocina	2,950	61
2482 ⁽²⁾	BPO-13	Organic	2,826	57
2483 ⁽²⁾	BPO-13	La Cocina	2,738	56
2484 ⁽²⁾	BPO-13	Organic	2,576	52
2601 ⁽²⁾	BPO-14	La Cocina	2,935	38
2602 ⁽²⁾	BPO-14	Organic	2,968	51
2603 ⁽²⁾	BPO-14	La Cocina	2,878	49
2604 ⁽²⁾	BPO-14	Organic	2,508	43
2411 ⁽²⁾	BPO-15	La Cocina	2,319	39
2412 ⁽²⁾	BPO-15	Organic	3,181	54
2413 ⁽²⁾	BPO-15	La Cocina	3,199	53
2414 ⁽²⁾	BPO-15	Organic	3,192	55
2415 ⁽²⁾	BPO-15	La Cocina	3,190	53

- (1) BPO-11 formerly pad #12, BPO-12 formerly pad #13, BPO-13 formerly pad #14.
(2) Well included in Joint Venture with Trafigura as described below. Vista has 80% working interest on these wells.

We believe the productivity of our new wells demonstrates the quality of our Vaca Muerta acreage. As of December 31, 2022, the Vista average well after 360 days of production (represented by the average of our pads BPO-1 to BPO-10) was performing 3% above our type curve. Additionally, as of December 31, 2022, the Vista average well after 180 days of production (represented by the average of our pads BPO-1 to BPO-13) was performing 5% above our type curve.



The 90-day performance of our first 44 wells compares favorably against the horizontal oil wells drilled in the Permian and Vaca Muerta and tied-in between 2012 and 2022, as shown in the charts below:



(1) Horizontal oil wells (>70% oil content), Total wells: 12,907 since 2012. Source: Rystad Energy
 (2) Horizontal oil wells (>70% oil content), Total wells: 614 since 2012. Source: Rystad 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 safety and logistics, enabled us to achieve outstanding drilling and 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 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.

On June 28, 2021, we formed an unincorporated joint venture and entered into an investment agreement with Trafigura Argentina S.A. (“Trafigura”), initially, for the joint development of five pads of four wells each at Bajada del Palo Oeste, effective as of July 1, 2021:

- (a) Trafigura (A) has a contractual right over 20% of the hydrocarbon production of the wells included in such agreement, (B) bears 20% of the capital expenditures, as well as the corresponding royalties and direct taxes, with respect to the wells included in such agreement, and (C) paid Vista (i) US\$5,000,000 on the date such agreement becomes effective, (ii) four installments of US\$5,000,000 each when the second, third, fourth and fifth pad included in such agreement commence production, for a total of US\$25,000,000, and (iii) a fee on Trafigura’s share of total production to compensate Vista for all operating expenses, G&A expenses, midstream costs and well abandonment costs.
- (b) We remain operator of the block and hold 100% of the title of the Bajada del Palo Oeste concession, and, with respect to the wells included in the agreement, will: (i) retain rights over 80% of the hydrocarbon production, (ii) bear 80% of the capital expenditures, as well as the corresponding royalties and direct taxes, and (iii) bear all other costs, including operating and midstream costs.

- (c) Trafigura has an option to participate in up to two additional pads under the same terms and conditions described in items a) and b) above for the initial five pads, including a payment to Vista of US\$5,000,000 for each additional pad. This option can be exercised for up to 180 consecutive days after the commencement of production of the second pad.

As of the date of this annual report, seven pads for a total of 28 wells have been tied-in under the terms of this agreement.

On October 11, 2022, we established an un-incorporated joint venture and entered into an investment agreement with Trafigura, for the joint development of three pads in Bajada del Palo Oeste. Under the terms of such agreement, effective as of October 1, 2022:

- Trafigura (A) has a contractual right over 25% of the hydrocarbon production of the wells included in such agreement, (B) bears 25% of the capital expenditures, as well as the corresponding royalties and direct taxes, with respect to the wells included in such agreement, and (C) will pay Vista (i) US\$1,700,000 for each tied-in well (equivalent to US\$6,800,000 for a 4-well pad), (ii) a fee, capped at 12.5 \$/bbl, over Trafigura's share of total production to compensate Vista for any improvements in international crude oil prices above 60 \$/bbl and up to 110 \$/bbl, and (iii) a fee on Trafigura's share of total production to compensate Vista for all operating expenses, G&A expenses, midstream costs within the block and well abandonment costs.
- We remain operator of the block and hold 100% of the title of the Bajada del Palo Oeste concession, and, with respect to the wells included in the agreement, will: (i) retain rights over 75% of the hydrocarbon production, (ii) bear 75% of the capital expenditures, as well as the corresponding royalties and direct taxes, and (iii) bear all other costs, including operating and midstream costs.

In conjunction with the agreement, Vista and Trafigura have extended by 12 months the previous crude oil sales and purchase agreement, under which Vista would sell to Trafigura 380,000 barrels of crude oil per month during the first half of 2023 and 345,000 barrels of crude oil per month during the second half of 2023, at a purchase price to be agreed between the parties based on price and market conditions.

As of the date of this annual report, no pads have been tied-in yet under the terms of this agreement.

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 8.5 MMboe as of December 31, 2022, and production of 2.9 Mboe/d (85% oil) for the year ended December 31, 2022. A 35-year term unconventional exploitation concession was granted on December 21, 2019 and expires on December 19, 2053.

The unconventional exploitation concession includes a commitment to perform an initial two-year pilot plan, during which Vista must (i) drill five new horizontal wells, and (iii) construct surface facilities, for a total investment of approximately US\$51.9 million.

As of December 31, 2022, we drilled, completed and tied-in the first two wells of such pilot. Both wells targeted La Cocina landing zone of Vaca Muerta, with an average lateral length of 2,224 meters and an average of 46 completion stages per well. During the first quarter of 2023, we completed and tied-in the third pilot well (i.e., BPE-2301h). This well targeted the La Cocina landing zone in Vaca Muerta with a lateral length of 2,818 meters and 48 completion stages. In April 2023, we completed and tied-in the fourth well of the pilot (i.e., BPE-2202h). Total capital expenditures as of the date of this annual report amounted to \$75.2 million.

Bajada del Palo Este has 48,853 gross acres with exposure to shale oil Vaca Muerta acreage. We estimate there are up to 150 new well locations to be drilled in this block.

Aguada Federal

On September 16, 2021, we acquired a 50% non-operated working interest in Aguada Federal from ConocoPhillips Petroleum Holdings B.V. On January 17, 2022, we acquired an additional 50% interest from Wintershall DEA Argentina S.A. and, therefore, as of such date, we became the operator and sole concession holder of the block. Aguada Federal is an unconventional exploitation concession in the Neuquina Basin located in the Province of Neuquén, covering approximately 24,058 gross acres. Since 2017, a total of six horizontal wells have been drilled in this concession, all of which demonstrated hydrocarbon production. During 2022, we tied in our first six shale wells on the block. The block had proved reserves of 37.4 MMboe as of December 31, 2022, and production of 2.8 Mboe/d (88% oil) for the year ended December 31, 2022. We estimate that there are up to 150 new well locations to be drilled in this block. The concession expires on December 20, 2050.

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 over the Águila Mora block 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 Neuquén Province issued the Decree No. 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, 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\$32.8 million.

As of the date of this annual report, we returned to production two wells drilled by the previous operator, drilled and completed two wells, and are finalizing the construction of production facilities. Total capital expenditure as of the date of this report was US\$36.8 million.

Bandurria Norte

On September 16, 2021, we acquired a 50% non-operated working interest in the Bandurria Norte from ConocoPhillips Petroleum Holdings B.V. On January 17, 2022, we acquired an additional 50% working interest from Wintershall DEA Argentina S.A. and therefore, as of such date, we became the operator and sole concession holder of the block. Bandurria Norte is an unconventional exploitation concession in the Neuquina Basin located in the Province of Neuquén, which covers approximately 26,404 gross acres. The block had proved reserves of 0.0 MMboe as of December 31, 2022, and a production of 0.0 Mboe/d for the year ended December 31, 2022. Since 2017, a total of four horizontal wells have been drilled in this concession, all of which proved hydrocarbon production, prior to being shut-in in 2019. We estimate there are up to 150 new well locations to be drilled in this block. The concession expires in 2050.

Entre Lomas Neuquén and Entre Lomas Río Negro (“Entre Lomas”)

As of the date of this annual report, Vista continues to hold a 100% interest in the Entre Lomas Neuquén and Entre Lomas Río Negro exploitation concessions (together, “Entre Lomas”) and Aconcagua has become the operator of the blocks, as a result of the Conventional Assets Transaction. As of December 31, 2022, the Entre Lomas Neuquén and Entre Lomas Río Negro blocks have proved reserves of 1.5 MMboe and 6.0 MMboe, respectively and production reached 1.5 Mboe/d (64% oil) and 3.4 Mboe/d (69% oil), respectively. The Entre Lomas concessions will expire on January 21, 2026. As of the date of this annual report, Vista remains entitled to 40% of the crude oil and

natural gas production and reserves, and 100% of the LPG and condensate production and reserves, of the transferred assets.

As of the date of this annual report, the Company had the following commitments pending of execution with the Province of Rio Negro: (i) to drill and complete three development wells and one extension well, for an estimated cost of US\$9.0 million, and (ii) to make capital investments in nine well workovers and abandon two wells for an estimated cost of US\$4.5 million.

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' margins and in small, isolated traps related to areas with echelon fault systems. In addition, there are ongoing secondary recovery projects, in which we see upside potential based on the low current recovery factors.

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

As a result of the Conventional Assets Transaction, as of the date of this annual report, Vista remains holder of a 100% interest in the exploitation concessions Jarilla Quemada and Charco del Palenque, which we refer to collectively as "Agua Amarga," and Aconcagua has become the operator of the blocks. Such concessions cover approximately 47,617 and 47,963 gross acres, respectively. These concessions had proved reserves of 0.0 MMboe and 0.7 MMboe as of December 31, 2022, respectively, and joint production of 0.3 Mboe/d (76% oil) for the year ended December 31, 2022. The Charco del Palenque concession expires in October 2034, while the Jarilla Quemada concession expires on August 16, 2040. As of the date of this annual report, Vista remains entitled to 40% of crude oil and natural gas production and reserves, and 100% of LPG and condensates production and reserves, of the transferred assets.

As of the date of this annual report, the Company has no pending capital commitments regarding this concession.

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

25 de Mayo-Medanito

As a result of the Conventional Assets Transaction, as of the date of this annual report, Vista remains holder of a 100% interest in the exploitation concession 25 de Mayo-Medanito ("Medanito") and Aconcagua has become the operator of the block. As of December 31, 2022, this block had Proved Reserves of 3.0 MMboe and reported production of 2.5 Mboe/d (92% oil) for the year ended December 31, 2022. The concession expires on October 28, 2026. As of the date of this annual report, Vista remains entitled to 40% of crude oil and natural gas production and reserves, and 100% of LPG and condensates production and reserves, of the transferred assets.

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

Jagüel de los Machos

As a result of the Conventional Assets Transaction, as of the date of this annual report, Vista remains holder of a 100% interest in the exploitation concession Jagüel de los Machos, and Aconcagua has become the operator of the block. The block had proved reserves of 2.7 MMboe as of December 31, 2022 and production of 2.9 Mboe/d (76% oil) for the year ended December 31, 2022. The concession expires on September 6, 2025. As of the date of this annual report, Vista remains entitled to 40% of crude oil and natural gas production and reserves, and 100% of LPG and condensates production and reserves, of the transferred assets.

As of the date of this annual report, for the 25 de Mayo-Medanito and Jagüel de los Machos concessions we have the following pending capital commitments with the Province of Río Negro: (i) to drill and complete two development wells for an estimated cost of US\$2.7 million, (ii) to execute 10 workovers, and (iii) to abandon 19 wells for an estimated cost of US\$7.5 million.

Productive units are volcanoclastic 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 84.6% working 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 0.8 MMboe as of December 31, 2022, and a production of 0.2 Mboe/d (96% oil) for the year ended December 31, 2022. The concession expires on February 22, 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 Energy S.R.L. (“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 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, which was effective retroactively as of 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, Vista increased its working interest in the Coirón Amargo Norte concession area, located in the Province of Neuquén, Argentina, from 55.0% to 84.6%, with the remaining 15.4% being held by GyP. As of the date of this annual report, the Company recognizes in the audited financial statements its 100% participation in this joint operation.

Acambuco

We hold a 1.5% working 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 YPF, which holds 22.5% interest, Shell Argentina, which holds 22.5%, and Northwest Argentina, which holds the remaining 1.5% interest. This block has proved net reserves of 0.7 MMboe as of December 31, 2022, and a net production of 0.1 Mboe/d (11% oil) for the year ended December 31, 2022. 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.

Coirón Amargo Sur Oeste

Coirón Amargo Sur Oeste is an unconventional exploitation concession which covers approximately 16,440 gross acres located in the core of the Vaca Muerta shale play located in the Province of Neuquén. On June 24, 2021, the Province of Neuquén approved the addendum to the joint venture agreement reflecting the sale for our remaining 10% working interest in Coirón Amargo Sur Oeste concession to Shell Argentina. This transaction was effective retroactively as of April 1, 2021. Therefore, as of the date of this annual report, Vista Argentina does not have any interest in the exploitation concession over the Coirón Amargo Sur Oeste area.

Sur Río Deseado Este

On March 21, 2021, the 25-year term of the exploitation concession over the Sur Río Deseado Este area in the San Jorge Gulf Basin, Province of Santa Cruz in which Vista Argentina held a 16.94% participating interest, expired. The operator of the exploitation concession was Alianza Petrolera Argentina S.A. (“Alianza”) with a 79.05% participating interest, and the remaining partner, SECRA S.A. had a 4% participating interest. In addition, Vista Argentina held a 44% interest in a separate exploration agreement over a portion of the Sur Río Deseado exploitation concession operated by Quintana E&P Argentina SRL.

As of the date of this annual report, Alianza is carrying out administrative procedures to complete the restitution process with the Province of Santa Cruz. The expenses demanded by such restitution process must be borne by all partners in accordance with their participating interests in the exploitation concession. Therefore, as of the date of this annual report, Vista Argentina does not have any interest in the exploitation concession over the Sur Río Deseado Este area.

Mexico

Farm-in to blocks held by Jaguar

On March 25, 2021, the governing body of the CNH approved the assignment of Jaguar's entire working interest in block CS-01 in favor of Vista Holding II. In addition, on August 16, 2021, Vista Holding II executed with the CNH the third amendment to the license contract for block CS-01, effectively acquiring 100% of the working interest in such block.

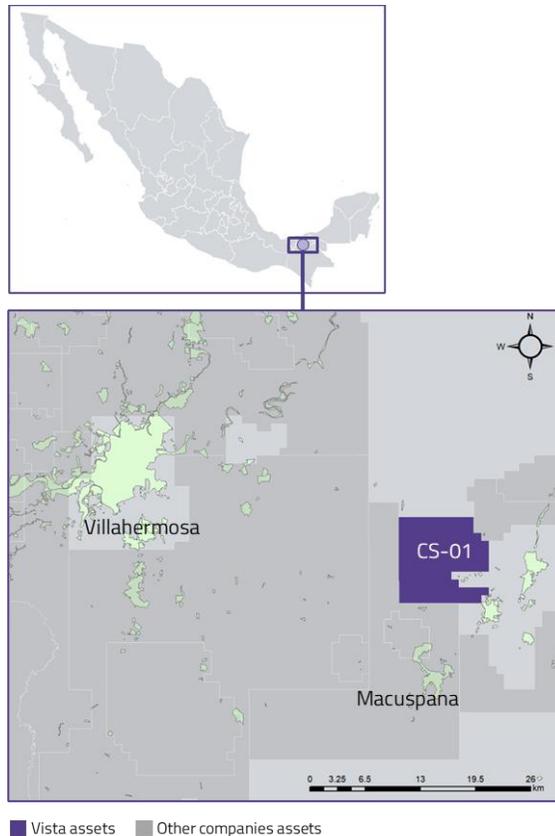
On April 29, 2021, the CNH approved the assignment of the entire working interest that Vista had in blocks TM-01 and A-10, in favor of Jaguar and Pantera, respectively. Finally, on August 23, 2021, Jaguar and Pantera executed with the CNH the second amendments to the license contracts for blocks TM-01 and A-10, effectively acquiring 100% of the working interests in the blocks TM-01 and A-10, respectively.

In August 2021, we announced an asset transfer whereby, through one of our subsidiaries, we (i) increased our interest in operated block CS-01 to 100%, and (ii) divested our entire interest in blocks TM-01 and A-10 in favor of Jaguar and Pantera, respectively.

CS-01 Block

We hold a 100% interest in the license agreement entered into with CNH for block CS-01, which we operate. The block covers approximately 23,517 gross acres and is located in the state of Tabasco. As of December 31, 2022, the block had proved reserves of 4.0 MMboe, and a production of 0.5 Mboe/d (97% oil). This license agreement will terminate in 2047. As of December 31, 2022, the Company's estimated outstanding capital commitments amounted to US\$18.1 million approximately, corresponding to the drilling and completion of six wells. Additionally, we have projects in place to generate incremental production through different activities to produce undeveloped reserves in the upper Zargazal and Amate formations, which we estimate have original pressure and hydrocarbon saturation.

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



Oil and Natural Gas Reserves

Reserves

The information included in this annual report regarding proved reserves is derived from estimates of the proved reserves as of December 31, 2022, from the 2022 Reserves Report. The 2022 Reserves Report is included as Exhibit 99.1 to this annual report.

D&M is an independent reserves engineering consultant. The 2022 Reserves Report prepared by D&M is based on information provided by us and present an appraisal as of December 31, 2022, 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, Acambuco, Jagüel de los Machos, 25 de Mayo-Medanito, Aguada Federal and Bandurria Norte blocks in Argentina and of our oil and gas reserves located in the CS-01 block 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.

The Company considers that its remaining estimated volumes of oil and gas proved recoverable reserves are fair and that these estimates were prepared according to SEC regulations and ASC 932, as amended. Consequently, crude oil prices used in determining proved reserves were the average price during the 12 months prior to the end date of December 31, 2022, and 2021, respectively, determined as an unweighted average of the first day of the month for

each month within these periods. Moreover, since there are no natural gas prices available in the benchmark market in Argentina, we used the average gas prices for the year to determine gas reserves. In addition, for certain gas volumes, Vista will obtain an incentive price subsidized by the Argentine government through Gas Plan IV. A weighted average price is estimated for certain areas per subsidized and unsubsidized volume.

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, 2022. The proved developed and undeveloped reserves estimates included below were calculated at their respective working interest percentages.

	Crude oil, condensate and NGL ⁽¹⁾ (MMbbl)	Consumption plus natural gas sales ⁽²⁾ (MMboe)	Total proved reserves (MMboe)	% Oil
Net Proved developed:	68.5	17.7	86.2	79%
Net Proved undeveloped:	139.5	25.9	165.4	84%
Total Net Proved	208.0	43.6	251.6	83%

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 1% of our proved developed and undeveloped reserves as of December 31, 2021, and December 31, 2022, respectively.
- (2) Natural gas consumption represented 13% of total natural gas reserves (consumption plus natural gas sales) as of December 31, 2021, and 11% as of December 31, 2022.

As of December 31, 2022, the oil and gas proved reserves of the assets we own (developed and undeveloped) totaled 251.6 MMboe (208.0 MMbbl of oil, condensate and NGL and 244.9 Bncf, or 43.6 MMboe of gas). Proved undeveloped reserves of crude oil, condensate and NGL represented 66% 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	47.2	11.1	58.3	108.7	19.5	128.2	155.9	30.6	186.4
Bajada del Palo Este	3.9	1.5	5.4	2.8	0.3	3.1	6.7	1.8	8.5
Charco del Palenque	0.6	0.1	0.7	0.0	0.0	0.0	0.6	0.1	0.7
Coirón Amargo Norte	0.6	0.2	0.8	0.0	0.0	0.0	0.6	0.2	0.8
Entre Lomas Río Negro	3.3	1.7	5.0	0.4	0.5	1.0	3.7	2.2	6.0
Entre Lomas Neuquén	1.1	0.4	1.5	0.0	0.0	0.0	1.1	0.4	1.5
Jagüel de los Machos	2.0	0.5	2.6	0.1	0.0	0.1	2.1	0.6	2.7
Jarilla Quemada	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
25 de Mayo–Medanito	2.7	0.2	2.9	0.1	0.0	0.1	2.8	0.2	3.0
Acambuco	0.1	0.6	0.7	0.0	0.0	0.0	0.1	0.6	0.7
Aguada Federal	6.8	1.4	8.2	24.7	4.5	29.2	31.5	5.9	37.4
Bandurria Norte	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CS-01	0.2	0.0	0.2	2.7	1.1	3.8	2.9	1.1	4.0
Total	68.5	17.7	86.2	139.5	25.9	165.4	208.0	43.6	251.6

- (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 1% of our proved developed and undeveloped reserves as of December 31, 2022.
- (2) Natural gas consumption represented 13% of total natural gas reserves (consumption plus natural gas sales) as of December 31, 2021, and 11% as of December 31, 2022.

Changes in our proved reserves during 2022

As of December 31, 2022, we had an estimated volume of proved reserves of 251.6 million barrels of oil equivalent (MMboe). This compares to an estimate of proved reserves of 181.6 MMboe as of December 31, 2021.

The total increase of 70.0 MMboe in proved reserves in 2022 is attributable to:

- An increase of 76.4 MMboe (+65.4 MMbbl of oil and +62.0 Bcf of natural gas) in the extensions and discoveries category, driven by the drilling of 16 wells classified as proved developed acreage and 13 wells classified as proved undeveloped acreage in Vaca Muerta formation in Bajada del Palo Oeste concession (+27.5 MMbbl of oil and +26.2 Bcf of natural gas); the drilling of 12 wells classified as proved developed acreage and 28 wells classified as proved undeveloped acreage in Vaca Muerta formation in Aguada Federal concession (+32.4 MMbbl of oil and +33.5 Bcf of natural gas); and the drilling of two wells classified as proved developed acreage and two wells classified as proved undeveloped acreage in Vaca Muerta formation in Bajada del Palo Este concession (+5.5 MMbbl of oil and +2.3 Bcf of natural gas).
- An increase of 9.1 MMbbl of oil due to revisions of previous estimates, driven by: (i) the higher performance of the 32 proved developed production wells targeting the Vaca Muerta unconventional formation in the Bajada del Palo Oeste concession (+4.78 MMbbl); (ii) the 28 wells drilled in 2022 targeting the Vaca Muerta unconventional formation in the Bajada del Palo Oeste concession, which comprises the first joint venture agreement with Trafigura (+2.54 MMbbl); (iii) a combined negative effect from other plots of land (-0.62 MMbbl); and (iv) price revisions for +0.75 MMbbl; and in connection with the undeveloped reserve, (v) the unconventional Bajada del Palo Oeste concession were revised up, due to a lateral length adjustment, which had no effect on the type well (+0.87 MMbbl); (vi) the Entre Lomas Río Negro concession were also revised up due to the addition of a well in Charco Bayo oilfield targeting Tordillo and Punta Rosada formations (+0.31 MMbbl); (vii) an upward revision was also made in the development plan of Jagüel de los Machos block due to the addition of two wells and two workovers (+0.12 MMbbl); (viii) minor changes in the activity of 25 de Mayo-Medanito block (+0.05 MMbbl); (ix) in Bajada del Palo Oeste concession, a downward revision was made related to the removal of two wells targeting Lotena conventional formation (-0.28 MMbbl); and (x) price revision for +0.58 MMbbl.
- An increase of 0.9 Bcf of gas (0.2 MMboe) due to revision of previous estimates, related to: (i) higher performance and gas/oil ratio adjustment based on the latest test results of the 32 unconventional production wells in the Bajada del Palo Oeste concession (+4.83 Bcf); (ii) lower performance of the conventional wells in the Bajada del Palo Oeste concession (-2.52 Bcf); (iii) a lower performance in the natural gas wells in Charco Bayo and Piedras Blancas in the Entre Lomas Río Negro concession (-4.81 Bcf); (iv) a combined effect of almost zero in the rest of the parcels (-0.38 Bcf); and (v) a price revision for (+2.54 Bcf), in connection with the undeveloped reserve; (vi) the unconventional Bajada del Palo Oeste concession were revised up, due to a lateral length adjustment, which had no effect on the type well (+1.00 Bcf); (vii) the Entre Lomas Río Negro concession were also revised up due to the addition of a well in Charco Bayo oilfield targeting Tordillo and Punta Rosada formations (+1.34 Bcf); (viii) an upward revision was also made in the development plan of Jagüel de los Machos block due to the addition of two wells and two workovers (+0.13 Bcf); (ix) minor changes in the activity of 25 de Mayo-Medanito block (+0.02 Bcf); (x) in Bajada del Palo Oeste concession, a downward revision was made related to the removal of two wells targeting Lotena conventional formation (-2.21 Bcf); and (xi) a price revisions for (+0.96 Bcf).
- An increase of 2.4 MMboe (+2.0 MMbbl of oil and +2.0 Bcf of natural gas), mainly related to the second joint venture agreement with Trafigura.
- A decrease of 0.3 MMboe (-0.3 MMbbl of oil and -0.1 Bcf of natural gas), mainly related to (i) revisions of Mexico proved developed reserves related to an enhanced performance of wells (+0.05 MMbbl) and the latest GOR trends (-0.04 Bcf); and (ii) changes in Mexico proved undeveloped reserves (-0.34 MMbbl, -0.02 Bcf) related to an adjustment of the type of curve after results from Vernet-1001 well.
- A decrease of 17.7 MMboe due to 2022 production, of which 17.5 MMboe were in Argentina and 0.2 MMboe in Mexico.

During 2022, we invested US\$92.4 million (corresponding to the drilling, completion and tie-in activities of nine new shale wells and two new conventional wells) to convert proved undeveloped reserves to proved developed

reserves. During 2021, we invested US\$105.9 (corresponding to the drilling, completion and tie-in activities of 12 new shale wells and 11 new conventional wells) million to convert proved undeveloped reserves to proved developed reserves.

We plan to put 100% of our reported 2022 year-end proved undeveloped reserves into production through activities to be implemented within five years of initial disclosure.

As a result of the Conventional Assets Transaction, we transferred the operations of a portion of our assets in Argentina, effective March 1, 2023. See “Item 4—Information on the Company—History and Development of the Company—Recent Developments— Transaction to increase focus on shale oil operations in Vaca Muerta.”

Reserves Estimation Process—Internal Controls

We maintain an internal staff of petroleum engineers and geoscience professionals who work closely with our independent reserves engineering consultants to ensure the integrity, accuracy and timeliness of data used by our independent reserves engineering consultants 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 experience in exploration and production and oilfield services.

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 Engineer Consultants

The 2022 reserves estimates of the assets we own in Argentina and Mexico were certified by D&M, 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 the 2022 Reserves Report which was issued on February 1, 2023, covering reserves as of December 31, 2022, of the assets we own in Argentina and Mexico. For the year ended December 31, 2022, the technical person within the third-party engineering firm overseeing the preparation of the reserves estimates presented in our filing for Argentina and Mexico 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.

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 any 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, 2022 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, 2022, our total developed and undeveloped acreage in Argentina and Mexico, 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	864,976	569,197	112,924	94,580	752,052	474,617
Mexico	23,517	23,517	13,591	13,591	9,926	9,926

Figures are approximate amounts.

As a result of the Conventional Assets Transaction, we transferred the operations of a portion of our assets in Argentina, effective March 1, 2023. See “Item 4—Information on the Company—History and Development of the Company—Recent Developments— Transaction to increase focus on shale oil operations in Vaca Muerta.”

Productive Wells

As of December 31, 2022, our total gross and net operated productive wells in Argentina and Mexico were as follows. The table includes the total gross and net operated productive wells by us and our subsidiaries. We did not drill any exploratory wells during 2022.

	Oil		Gas		Total	
	Gross	Net	Gross	Net	Gross	Net
Argentina	1,079	1,074	70	70	1,149	1,144
Mexico	9	9	0	0	9	9

Figures are approximate amounts.

As a result of the Conventional Assets Transaction, we transferred the operations of a portion of our assets in Argentina, effective March 1, 2023. See “Item 4—Information on the Company—History and Development of the Company—Recent Developments— Transaction to increase focus on shale oil operations in Vaca Muerta.”

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, 2022. 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	13	0
Net	11	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, 2022, December 31, 2021, and December 31, 2020.

Block	Working Interest	Operator	Production for the year ended December 31, 2022		Production for the year ended December 31, 2021	
			Oil ⁽¹⁾ (in thousands barrels)	Natural gas sales ⁽²⁾ (in millions of cubic feet)	Oil ⁽¹⁾ (in thousands barrels)	Natural gas sales ⁽²⁾ (in millions of cubic feet)
Neuquina Basin						
Bajada del Palo Oeste	100%	Vista	9,631.42	10,215.23	7,609.03	9,749.30
Entre Lomas Río Negro	100% ⁽⁷⁾	Vista ⁽⁷⁾	990.52	1,483.85	852.00	1,842.81
Jagüel de los Machos	100% ⁽⁷⁾	Vista ⁽⁷⁾	811.20	1,407.85	857.14	1,570.18
25 de Mayo-Medanito	100% ⁽⁷⁾	Vista ⁽⁷⁾	829.10	414.39	879.57	440.04
Entre Lomas Neuquén	100% ⁽⁷⁾	Vista ⁽⁷⁾	374.04	1,035.63	401.05	994.69
Bajada del Palo Este	100%	Vista	928.21	812.97	152.46	896.68
Coirón Amargo Norte	84.6%	Vista	77.10	15.73	95.22	6.25
Jarilla Quemada ⁽³⁾	100% ⁽⁷⁾	Vista ⁽⁷⁾	78.45	123.56	88.85	423.64
Coirón Amargo Sur Oeste	- ⁽⁴⁾	Shell	-	-	6.02	2.82
Águila Mora	90%	Vista	-	-	-	-
Charco del Palenque ⁽³⁾	100% ⁽⁷⁾	Vista ⁽⁷⁾	-	-	-	-
Aguada Federal	100% ⁽⁵⁾	Vista	899.48	662.04	35.96	23.43
Bandurria Norte	100% ⁽⁵⁾	Vista	-	-	-	-
Golfo San Jorge Basin						
Sur Río Deseado Este	- ⁽⁶⁾	Alianza Petrolera	-	-	-	-
Noroeste Basin						
Acambuco	1.5%	Pan American Energy	5.94	258.91	6.77	281.35

- (1) Oil production is comprised of production of crude oil, condensate and natural gasoline.
- (2) Natural gas production excludes natural gas consumption.
- (3) Jarilla Quemada consolidates the Agua Amarga production information (Jarilla Quemada plus Charco del Palenque production).
- (4) Fully divested 10% working interest to Shell. The effective date of the transaction is April 1, 2021.
- (5) Acquired 50% working interest in Aguada Federal and Bandurria Norte concessions on September 16, 2021. Acquired an additional 50% working interest in Aguada Federal and Bandurria Norte concessions on January 17, 2022.
- (6) The 25-year term of the SRDE exploitation concession, with 16.9% working interest, expired on March 21, 2021, and Vista decided not to request the 10-year extension filed by the operator.
- (7) Assets transferred to Aconcagua, effective on March 1, 2023. After such date, Aconcagua remains the operator of the transferred assets and Vista remains entitled to 40% of crude oil and natural gas production and reserves, and 100% of LPG and condensates production and reserves, of the transferred assets.

Block	Production for the nine months period ended December 31, 2020	
	Crude oil ⁽¹⁾ (in thousands of barrels)	Natural gas ⁽²⁾ (in millions of cubic feet)
Neuquina Basin		
Bajada del Palo Oeste	3,055.30	7,675.40
Entre Lomas Río Negro	985.2	3,244.00
Jagüel de los Machos	939.4	1,743.90
25 de Mayo-Medanito	938.1	321.5
Entre Lomas Neuquén	351	466.1
Bajada del Palo Este	158.8	1,003.10
Coirón Amargo Norte	94.6	73.6
Jarilla Quemada ⁽³⁾	70.6	570.3
Coirón Amargo Sur Oeste	30.9	20.8
Águila Mora	18	-
Charco del Palenque ⁽³⁾	-	-
Aguada Federal	-	-
Bandurria Norte	-	-
Golfo San Jorge Basin		
Sur Río Deseado Este	-	-
Noroeste Basin		
Acambuco	-	-

- (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.

As a result of the Conventional Assets Transaction, we transferred the operations of a portion of our assets in Argentina, effective March 1, 2023. See “Item 4—Information on the Company—History and Development of the Company—Recent Developments— Transaction to increase focus on shale oil operations in Vaca Muerta.”

Drilling Activities

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

During the year ended December 31, 2022, we drilled and completed 30 wells and performed five workovers. Among the drilled and completed wells, 28 new wells targeted oil-weighted formations, whereas two wells targeted gas formations.

During the year ended December 31, 2022, we invested US\$540.0 million, of which US\$361.6 million correspond to our Vaca Muerta development, where we completed 28 new wells during the year. Capital expenditures in conventional drilling and workover activities were US\$12.5 million and capital expenditures in associated facilities and others totaled US\$165.9 million.

During the year ended December 31, 2021, we invested US\$324.1 million, of which US\$220.0 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 BPO-6, BPO-7 and drilled and completed pads BPO-8, BPO-9 and BPO-10. Capital expenditures in conventional drilling and workover activities were US\$26.9 million and capital expenditures in associated facilities and others totaled US\$77.2 million.

During the year ended December 31, 2020, we invested US\$225.9 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 BPO-3, BPO-4 and BPO-5, drilled pads BPO-6 and BPO-7 and performed one workover. Capital expenditures in the construction of associated facilities, studies, the CASO concession capital expenditures and others were US\$21.8 million. Capital expenditures in conventional drilling and workover activities were US\$4.8 million, which mainly corresponds to the drilling of four conventional wells tied-in during the first quarter of 2021. Capital expenditures related to the conventional production in associated facilities, studies and others totaled US\$22.2 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

	Oil development well – productive	Gas development well – productive	Oil development well – dry	Gas development well – dry	Exploratory well – productive	Exploratory well – dry
For the Year Ended December 31,						
2020	24	0	0	0	0	0
2021	23	3	0	0	0	0
2022	28	2	0	0	0	0

Mexico

	Oil development well – productive	Gas development well – productive	Oil development well – dry	Gas development well – dry	Exploratory well – productive	Exploratory well – dry
For the Year Ended December 31,						
2020	0	0	0	0	0	0
2021	0	0	0	0	1	0
2022	0	0	0	0	0	0

Delivery Commitments

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.

As of December 31, 2022, 55% of our oil production was subject to monthly delivery commitments. According to our estimates, as of December 31, 2022, our contractual delivery commitments, which do not extend beyond December 31, 2023, could be met with our own production.

For natural gas, in April 2022 we signed annual commitments, for the period May 2022 to April 2023, which added to the commitments already assumed with the Plan Gas.Ar until 2028 represents approximately 100% of our marketable total production, with seasonal pricing arrangements. The remainder is sold to the spot market. The annual commitments for the period May 2023 to April 2024 are expected to be signed by the end of April 2023.

For LPG, we are committed to deliver a specific quota of propane under an agreement with the SdE that represents approximately 19% of our annual production to guarantee local demand of residential grids, whereas the remaining production is freely marketed. Regarding Butane we deliver under a National Decree approximately 83% 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 Vista and key contractors through performance payments. Operationally, we aim to integrate our operating team with our service providers’ 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. The One Team Contracts program covers the most important suppliers to our shale oil development: (i) One Team Drilling, which involves Schlumberger and Nabors drilling, and (ii) One Team Completion, which involves Schlumberger and Brent Energía y Servicios.

Transportation and Treatment

In our operated blocks in Argentina, we treat and transport our oil, gas and water production in existing transportation treatment facilities that have sufficient capacity to process and deliver our current conventional and unconventional production. As of the date of this annual report, these existing treatment facilities are comprised of several oil and gas pipelines, seven batteries distributed throughout the blocks, one oil treatment plant, two water treatment plants, four compression stations, one oil treatment plant and two water treatment plants.

All multiphase production from Bajada del Palo Oeste, Bajada del Palo Este, Aguada Federal and Coirón Amargo Norte is collected in primary separation batteries. Oil is pumped through a pipeline to the Entre Lomas treatment plant to reach sales specifications (57,000 boe/d capacity). Water is treated and pumped to disposal wells at the Bajada del Palo water treatment plant (PIAS Borde Montuoso; capacity 19,000 bpd) and at the Entre Lomas water treatment plant (capacity 80,000 boe/d). Gas production from Bajada del Palo Oeste and unconventional production of Bajada del Palo Este is compressed and dehydrated in two compressor stations to be injected to TGS Vaca Muerta system at Tratayen for further treatment. Sales Gas is injected to TGS or TGN systems. Gas production from Aguada Federal is boosted and sent to a low-pressure gathering system in a neighboring block. Gas is treated and compressed into TGS sales pipelines. Gas from Coiron Amargo Norte is dehydrated and injected to TGN Centro Oeste system. Conventional Gas from Bajada del Palo Este production is injected to Entre Lomas gas treatment plant (45 MMscf/d capacity), which injects on spec gas into TGS system.

As a result of the Conventional Assets Transaction with Aconcagua described in “Recent Developments”, the gas complex in Entre Lomas Central Production Facility is now operated by Aconcagua. Vista Argentina and Aconcagua have signed two agreements, whereby (i) Aconcagua will treat and dispatch the natural gas corresponding

to Vista Argentina injected at the Entre Lomas Central Production Facility, and (ii) Vista Argentina will treat and transport the crude oil and water corresponding to Aconcagua arising from Agua Amarga and Entre Lomas.

Once treated, 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 refinery gate or 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 mostly 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.

On December 21, 2022, the Company, through its subsidiary Vista Argentina, was awarded a crude oil transportation capacity of 5,010 m³/day under the project to extend the current line from Allen to Puerto Rosales implemented by Oldelval (transportation concession holder) for 50,000 m³/day. Thus, the Company undertook to make an upfront payment of US\$118.0 million between 2023 and 2025, to be recovered from the service monthly fee. As of the date of this annual report, the Company made disbursements related to this commitment for a total amount of US\$16.4 million.

On January 27, 2023, the Company, through its subsidiary Vista Argentina, was awarded a storage and dispatch capacity of 35,644 m³ and 5,944 m³/day, respectively, under the program to extend Puerto Rosales marine terminal and pumping station, in which Oiltanking Ebytem S.A. bid for a storage and dispatch capacity of 300,000 m³ and 50,000 m³/day, respectively. Thus, the Company undertook to make an upfront payment of US\$28.4 million between 2023 and 2025, to be recovered from the service monthly fee as from of the beginning of the program. As of the date of this annual report, the Company made no disbursements related to this commitment.

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—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 2022, 2021 and 2020. Our main domestic customers are Raizen and Trafigura, which combined represented 48%, 69% and 55% of our total oil revenues for the years ended December 31, 2022, 2021 and 2020, respectively. Approximately 99% of our oil is produced in the Neuquina Basin and is referred to Medanito crude oil, a high-quality oil generally in demanded by 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 have developed 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. Vista sells 100% of the production to Pemex. 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 diversified portfolio of customers for natural gas. Our primary customers in 2022 were industrial costumers, representing 32% of our total natural gas revenues for such period, whereas in 2021 our primary costumers were power generation costumers, representing 34% of our total natural gas revenues for such period. 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 Bahía 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. 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, Total, Compañía General de Combustibles, 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 other equipment, materials or technology. Higher commodity prices generally increase the demand for drilling rigs, completion sets, materials, services, equipment and crews, and can lead to increases in the cost, or shortages, of services. Economic recovery following the Covid-19 pandemic, restrictions on imports imposed by the BCRA and increasing oilfield activity, have led to higher operating costs. Shortages of experienced drilling crews and equipment and services, or increasing costs, could restrict our ability to increase new well activity above current levels.

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, 2022, we had all our trademarks duly registered with the regulatory authorities, noting as well that patent applications is not part of our usual business.

Information Technology

We rely on our information technology systems and automated machinery to effectively manage our production processes and operate our business. Our computer systems are supported by Dell and IBM infrastructure for data processing, NetApp and EMC for storage and backup; Cisco for networking and firewall cybersecurity. We have implemented S/4 Hana, a cloud-based ERP licensed by SAP standardizing administrative processes and internal control across our entire organization.

As with other companies, our information technology systems may be vulnerable to damage or interruption from cyber-attacks and other security breaches. We follow the Cybersecurity Framework developed by U.S. Department of Commerce's National Institute of Standards and Technology ("NIST"). We assess the maturity level tested against the latest cybersecurity trends and disclosure research with our partner KPMG. Our framework follows NIST's five core functions to help us identify cybersecurity compliance gaps and requirements. In February 2022, a 1.49 NIST maturity level was tested. In January 2023, we conducted a self-assessment with our partner KPMG resulting in a NIST maturity level of 2.90. Our target is to reach a 3.5 NIST maturity level during 2023. We utilize Google Cloud Platform ("GCP") as a repository of all the structured and real time data in line with our business intelligence and advance analytics strategy. Migrating to the cloud allows us to reduce the cost of ownership of new servers and provides flexibility to incorporate more demanding data and processing applications. We are currently applying artificial intelligence and machine learning to core business processes with software-as-a-service solutions that run on processing data from our cloud.

We use our cloud data platform as an enabler that allows us to increase our integration capabilities between information systems enabling advanced analytics techniques. We have implemented advanced analytics solutions that allow us to:

- Accelerate anomaly detection times for unconventional oil producing wells.
- Optimize proppant last mile logistics.

We focus on enhancing the use of our real-time acquired data to empower solutions that facilitate Near Real-Time decision-making. All our field offices are connected to the internet through a high bandwidth fiber optic network (>200mbps) with enough redundancy to guarantee +95% uptime, in line with our Cloud strategy

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. 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—Detailed Risk Factors—Risks Related to Our Business and Industry—Our industry has become increasingly dependent on digital technologies to carry out daily operations.”

ESG Matters

During 2022, we believe that we reinforced our commitment to sustainability. The main highlights in the Environmental, Social and Governance fronts are summarized below:

Environmental

- We recorded GHG emissions intensity, scope 1 & 2, of 18 kgCO₂e/boe for the year, a 25% year-over-year reduction. In Q4 2022, GHG emissions intensity was 14 kgCO₂e/boe.
- We signed a renewable power purchase agreement, which is forecasted to supply 20% of the Company’s electricity needs in 2023, and gradually increase going forward.
- We are currently executing the Company’s first four Natural Based Solutions project types (Afforestation, Reforestation and Revegetation; Reducing Emissions from Deforestation and forest Degradation; Sustainable livestock farming and Sustainable agriculture) in six provinces (i.e., Corrientes, Santa Fe, Córdoba, Buenos Aires, Río Negro and Salta). The projects are managed by Aike NBS S.A.U., a Vista subsidiary set up to design, manage and execute the carbon offset projects, staffed with leading local experts.
- For more information, please see “Item 4—Information of the Company— Environmental Policy.”

Social

- We had a TRIR of 0.86, which was below one for the third consecutive year.
- We made good progress in gender initiatives through hiring and development of female talent, issuance of new policies and workshops to increase employee awareness.
- We set up a social management system to support the Company’s social performance (externally audited and following IFC standards).
- We are committed to enhancing the development of the communities where our workforce live, with an inclusive approach that reinforces a sense of belonging through open dialogue, active cooperation, volunteering and social commitment.

Governance

- We strengthened our governance structure by issuing policies related to business ethics and increasing training hours to staff in such matters.
- We implemented a public grievance mechanism procedure and added a community and stakeholder feedback link to Vista’s website.
- We are committed to implementing sound and transparent corporate governance principles, which strengthen trust and credibility with our stakeholders.

We expect to publish our 2022 Sustainability Report in the second quarter of 2023. We expect the report to align with Global Reporting Initiative (“GRI”) Oil and Gas Sector Standard 2021 and GRI Universal Standards 2021 framework and the Sustainability Accounting Standards Board (“SASB”) for industry-specific ESG topics most relevant to our financial performance and long-term value creation. For the second consecutive year, 2022 Sustainability Report is also expected to include information aligned with the recommendations published by the Task Force on Climate-Related Financial Disclosures (“TCFD”) and to have limited assurance on certain relevant GRI indicators. For the full version of our 2022 Sustainability Report, please visit our website (<https://vistaenergy.com/sustainability>) once published. Information contained on, or accessible through, our website is not incorporated by reference in, and will not be considered part of, this annual report.

VX Ventures

VX Ventures AenP (“VX Ventures”) is Vista’s corporate venture capital fund, launched with an initial US\$12.5 million funding commitment (which represents less than 2% of Vista’s capital expenditures for the year 2022), with the objective of developing new businesses that can thrive through the energy transition and support Vista becoming a lower carbon & lower cost company.

In 2022, we continued to pursue entrepreneurial, agile and dynamic companies that may become key agents of change and leverage Vista’s technical and project management skills with an entrepreneurial drive to access new markets.

Moreover, VX Ventures plays a role of exposing Vista to the optionality of new businesses that can potentially scale up and can also help us secure the access and retention of top talent.

Each investment is funded through specific special purpose vehicles controlled by Vista, where certain relevant executives of the Company are given the option to co-invest through class B shares with no political rights to incentivize their engagement and align their interests with those of the invested project.

Among our VX Ventures portfolio, we have created and funded Aike NBS S.A.U. to deliver top-quality carbon offsets through the development of “Nature Based Solutions” (NBS) projects, including forestry and soil carbon capture projects. Aike will also provide services to third companies to help them to fulfill their NBS project development needs and achieve their net-zero commitments which will in turn benefit Vista by providing larger scale for Vista’s NBS projects. Aike has already started providing services to us in connection with Vista’s own NBS portfolio.

Environmental Policy

In 2021, we announced our ambition to become Net Zero in scope 1 and 2 GHG Emissions by 2026. We plan to achieve this ambition through a multi-year plan to reduce our operational carbon footprint and the implementation of our own portfolio of nature-based solutions (“NBS”).

In 2021, we generated a carbon abatement cost curve, which included the technical analysis of carbon abatement potential and cost quantification. Based on this curve, we outlined a five-year GHG Emissions Reduction Plan based on the prioritization of selected projects according to their carbon abatement potential and cost efficiency.

Our plan to reduce our operational footprint is forecast to lead to a reduction of our total scope 1 and 2 emissions, from 417,000 tons of CO₂e in 2020 to 265,000 tons of CO₂e in 2026. This implies a 35% reduction in absolute levels, while doubling hydrocarbon production during the same period. This plan implies a 75% reduction in carbon intensity, from 39 kilograms of CO₂e per boe (KgCO₂e/boe) in 2020 to a forecast of nine kgCO₂e/boe in

2026. In 2022, we recorded GHG emissions intensity of 18 kgCO₂e/boe for the year, a 25% reduction compared to 24 kgCO₂e/boe in 2021, while in the fourth quarter of 2022 GHG emissions intensity was 14 kgCO₂e/boe.

We believe we have designed a diversified NBS portfolio—in terms of geography, project type and operating model—which should enable us to offset the residual emissions from our operation through carbon capture in soil and forest. During 2022, we created Aike NBS S.A.U., a Vista subsidiary, set up to design, manage and execute our carbon offset projects, staffed with leading local experts. In 2022, we initiated the execution of NBS projects in Argentina:

- we purchased 3,322 ha in Corrientes, where we started an Afforestation, Reforestation and Revegetation (“ARR”) project. During 2022, we planted 1,080 ha, and we are planning to plant approximately 1,200 ha in 2023;
- we signed a sustainable livestock farming with a landowner in Santa Fe covering approximately 1,900 ha;
- we signed a sustainable agriculture agreement with a landowner in Santa Fe, Córdoba, Buenos Aires and Río Negro, for a total of approximately 1,900 ha;
- we signed a binding commitment to purchase approximately 5,000 ha in Salta, for a REDD+ project, which means Reducing Emissions from Deforestation and forest Degradation, as well as the role of conservation, sustainable management of forests and enhancement of forest carbon stocks.

We believe NBS is the most actionable, proven, efficient and scalable carbon removal alternative. Through the development of a top-tier NBS portfolio, we expect to generate at least 265,000 tons of carbon credits by 2026 to offset the remaining emissions from our core business and fulfill our strategic ambition to become net zero.

Argentine Regulatory Framework in connection with climate change

The United Nations Framework Convention on Climate Change (“UNFCCC”), which entered into force on March 21, 1994, aims to stabilize of the GHG concentrations in the atmosphere to a level that would prevent dangerous anthropogenic interference with the climate system.

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

Argentina approved UNFCCC by Federal Law No. 24,295 in December 1993, the Kyoto 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 Kyoto Protocol (which was approved in Argentina by Federal Law No. 27,270). The Paris 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. International treaties together with increased public awareness related to climate change may result in increased regulation to reduce or mitigate GHG emissions.

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. In this line, in 2019, the Argentine Congress enacted Law No. 27,520 on Minimal Standards on Global Climate Change Adaptation and Mitigation, which focused on implementing policies, strategies, actions, programs and projects that can prevent, mitigate or minimize the damages or impacts associated with climate change.

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, 2021, electricity originated from renewable sources represented 12.5% of the total demand according to the data released by CAMMESA.

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 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.

In 2022 our TRIR was 0.86 (based on a rate of 3.5 million work hours) as compared to a 0.29 (based on a rate of 3.5 million work hours) as of December 31, 2021, and 0.38 (based on a rate of 2.6 million work hours) as of December 31, 2020. We had no fatalities due to workforce incidents involving Vista employees related to operations in the years ended December 31, 2022, December 31, 2021, and December 31, 2020.

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, 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.

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.

INDUSTRY AND REGULATORY OVERVIEW

Recent Trends in the Latin American E&P Sector

We believe 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 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, we believe 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). In this context, we believe Vaca Muerta offers attractive investment opportunities, due to its reservoir properties, the latest improvements by operators in well design and technology, leading to higher well productivity and lower development cost, and it being a low GHG emissions intensity play.

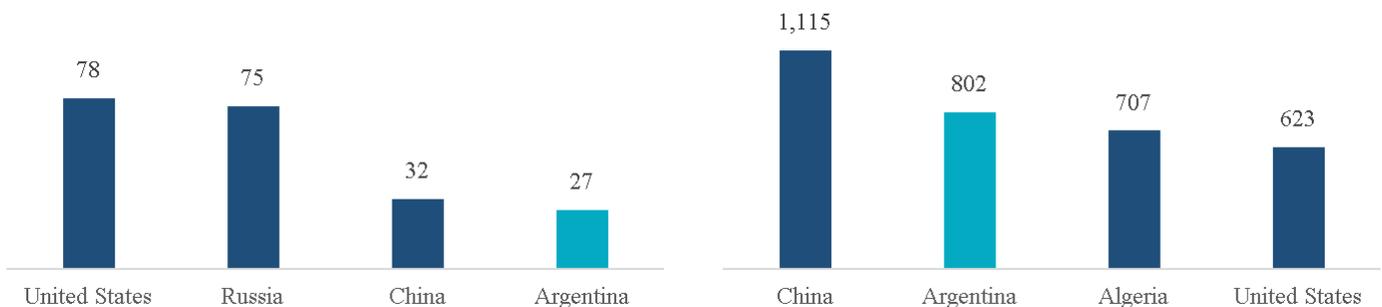
Argentina’s Oil and Gas Industry Overview

Introduction

As of December 2021, 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 2022. In terms of hydrocarbons reserves, according to the SdE, as of December 31, 2020, the country had proved developed and undeveloped (1P) natural gas reserves of approximately 14.7 trillion cubic feet (“Tcf”) and 2.8 billion barrels of oil (“Bnbbbl”), while total proved, probable and possible reserves (3P) were 26.8 Tcf and 5.3 Bnbbbl 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 Bnbbbl and 802 Tcf, respectively, as of December 31, 2017, and the largest commercially producing play outside North America.

World Shale Oil Resources (Bnbbbl)

World Shale Gas Resources (Tcf)

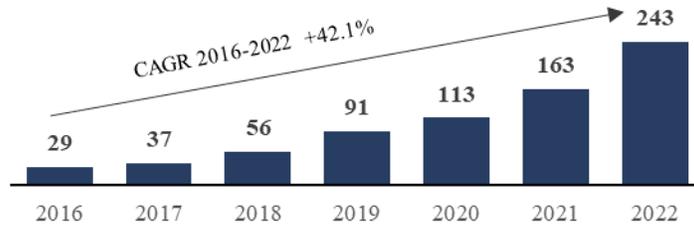


Source: EIA/ARI (2013). World Shale Gas and Shale Oil Resource Assessment, June 2013. United States data as of April 2015.

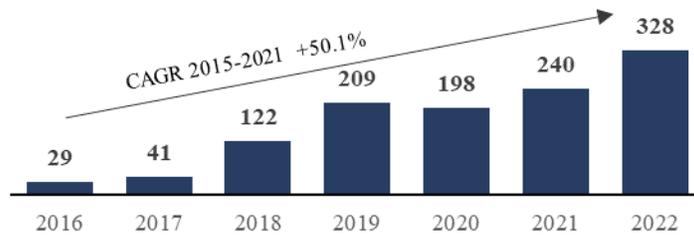
Although hydrocarbon production in Argentina has declined over the years, the emergence of shale resources has brought significant investments and is therefore changing the outlook. Some major oil companies have built, and continue to build, exposure, and local players have announced ambitious growth plans. As illustrated in the chart

below, shale oil production has increased at an annual rate of 42.1% from 2016 to 2022. Additionally, shale gas production has increased at annual rate of 50.1% from 2016 to 2022.

Average Shale Oil Production 2016—2022 (Mbb/d)



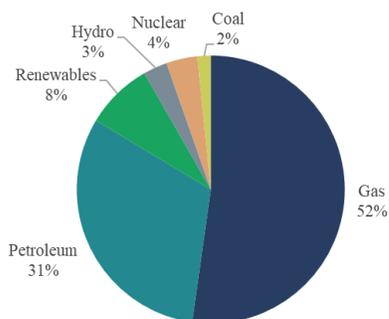
Average Shale Natural Gas Production 2016—2022 (Mboe/d)



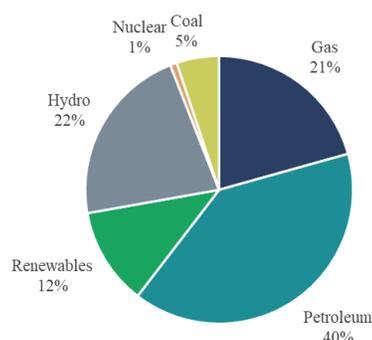
Source: Argentine Secretariat of Energy.

Argentina has a high level of dependence on hydrocarbons as it accounts for approximately 84% of the country’s primary energy supply. This dependence on hydrocarbons is greater than that of other countries in the region (Latin America and the Caribbean), where oil and gas together represent 60% 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 refined oil products and natural gas, and would drive economic growth.

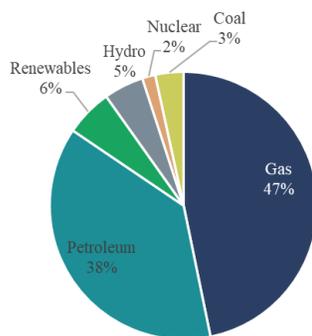
Argentina Primary Energy Mix (%) as of 2021



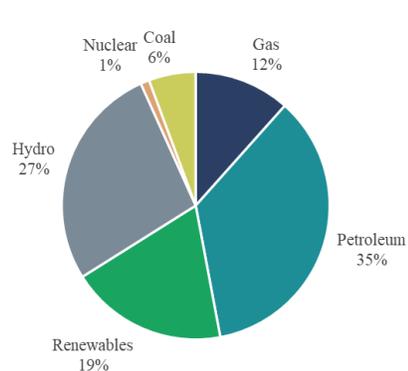
South and Central America and Mexico Primary Energy Mix (%) as of 2021



Mexico Primary Energy Mix (%) as of 2021



Brazil Primary Energy Mix (%) as of 2021

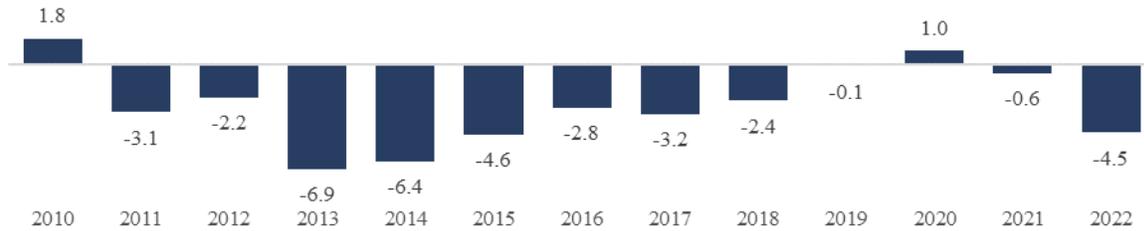


Source: Argentine Secretariat of Energy and BP's Statistical Review of World Energy.

Energy imports play a material role in Argentina's trade balance. In 2022, domestic gas demand was fulfilled by domestic production and natural gas imports from Bolivia, amounting to 0.14 Tcf (US\$1,693 million). Additionally, 0.08 Tcf of LNG (US\$2,567 million) and 2,402 thousand of cubic meters of diesel (US\$4,387 million) for power generation were imported. Due to the increased production of shale oil, it was not necessary to import oil during 2022. However, in 2022, 1,166 thousand of cubic meters of gasoline and 2,558 thousand of cubic meters of diesel (US\$3,447 million) were imported. As a result, energy imports reached US\$12,868 million, with exports reaching US\$8,398 million, mainly due to crude oil exports. Although exports grew by more than US\$3,000 million compared to 2021, the deficit of the energy trade balance was close to US\$4,500 million, a significant deterioration compared to 2021 (see chart below). In 2021, domestic gas demand was fulfilled by domestic production and natural gas imports from Bolivia, amounting to 0.17 Tcf (US\$1,041 million). Additionally, 0.12 Tcf of LNG (US\$1,092 million) and 1,940.4 thousand of cubic meters of diesel (US\$1,043 million) for power generation were imported. Due

to the increased production of shale oil, it was not necessary to import oil during 2021. However, in 2021, 580.7 thousand of cubic meters of gasoline and 1,973 thousand of cubic meters of diesel (US\$1,362 million) were imported. As a result, energy imports reached US\$5,843 million, with exports almost offsetting such amount, reaching US\$5,283 million, mainly due to crude oil exports.

Argentina Energy Trade Balance 2009—2022 (US\$bn)



Source: Argentine Institute of Statistics and Censuses.

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.

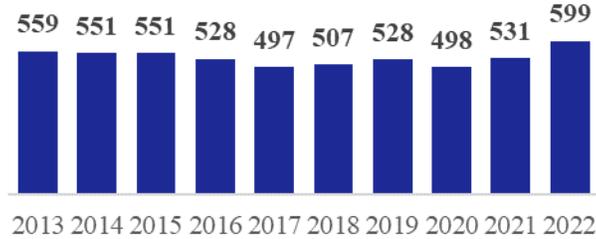
Located in west-central Argentina, the Neuquina Basin is among the most prolific basins of the country accounting for 41% of total oil and 64% of total gas production. The Golfo San Jorge Basin accounts for 55% of the country’s proved oil reserves, while in the Austral Basin is 25% of total proved natural gas reserves.

Oil Exploration and Production Sector

During 2022, oil and condensate production averaged 599 Mbb/d, 13% higher than 2021 average production and represented 41% of Argentine hydrocarbon production. Conventional production represents 60% of total oil production, while unconventional represents the remaining 40%. During 2021, oil and condensate production

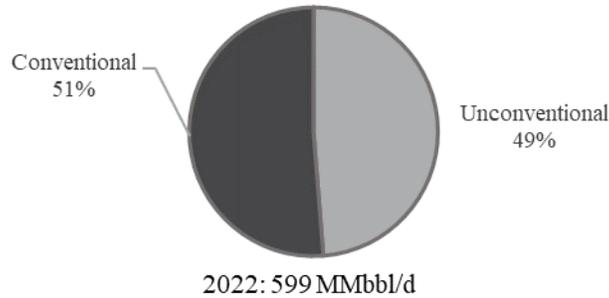
averaged 531 Mbb/d, 6.5% higher than 2020 average production and represented 39% of Argentine hydrocarbon production. Conventional production represented 67% of total oil production, while unconventional represented the remaining 33%.

Oil Production Evolution (Mbb/d)



Source: Argentine Secretariat of Energy.

2022 Oil Production Breakdown



Source: Argentine Secretariat of Energy.

During the year ended December 31, 2022, Argentina’s main shale oil producer was YPF with a 58% market share, followed by Vista (14%), Shell (12%), Pan American Energy (7%) and Tecpetrol (2%). Argentina’s main total oil producer (including shale and conventional) was YPF with a 47% market share, followed by Pan American Energy (17%), Vista (7%), Shell (5%), Pluspetrol (5%) and Tecpetrol (3%).

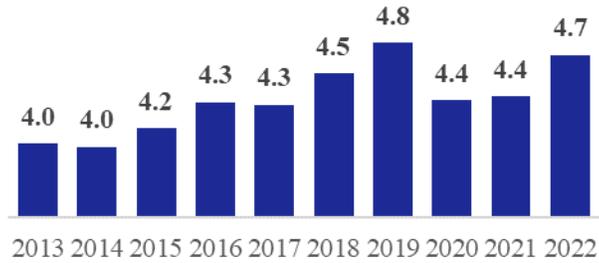
As of December 31, 2021, proved oil reserves totaled 2,7 Bnbbl, with the largest share of proved oil reserves in Neuquina Basin (48.8%), followed by Golfo San Jorge (48.1%), Austral (1.7%), Cuyana (0.9%), and Noroeste (0.5%).

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

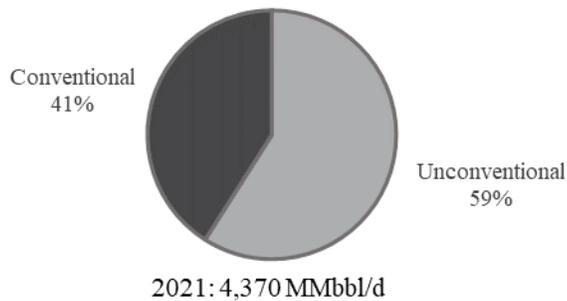
Natural Gas Exploration and Production Sector

During 2022, natural gas production reached 4.7Bncf/d, 7% higher than 2021 production and represented 59% of the national production. During 2021, natural gas production reached 4.4 Bncf/d, in line with 2020 production and represented 61% of the Argentine hydrocarbon production. During 2022, conventional production represented 41% of total gas production, while unconventional represented the remaining 59%.

Natural Gas Production (Bn cf/d)



2022 Natural Gas Production Breakdown



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

During the year ended December 31, 2022, Argentina’s main shale gas producer was YPF with a 31% market share, followed by Tecpetrol (30%), Total Austral (12%), Pan American Energy (12%), Pluspetrol (%) and Exxon (3%). Argentina’s main total producer of natural gas (including shale and conventional) was YPF, with a 27.4% market share, followed by Total Austral (22.8%), Tecpetrol (13.3%), Pan American Energy (12.2%), Pampa Energía (6.8%) and Pluspetrol (5.1%).

As of December 31, 2021, proved reserves of natural gas reached 13.8Tn cf. As of December 31, 2021 the basin with the highest concentration of proved reserves of natural gas was the Neuquina Basin with 69%, followed by Austral (20%), Golfo San Jorge (9%), and Noroeste (2%).

Source: Argentine Secretariat of Energy.

Demand and Consumption

In 2022, domestic demand of natural gas reached 4.0 Bn cf/d. The power generation sector led demand with 31.4% of the gas consumed in the country, followed by the industrial sector (28.9%), residential (24.4%), and others (15.4%). During 2022, in order to meet the demand for natural gas, 0.14Tcf of natural gas was imported from Bolivia, in addition to 0.08 Tcf of LNG.

In 2021, domestic demand of natural gas reached 4.1 Bn cf/d. The power generation sector led demand with 37.7% of the gas consumed in the country, followed by the industrial sector (28.4%), residential (22.8%), and others (11.0%). During 2021, in order to meet the demand for natural gas, 0.17 Tcf of natural gas was imported from Bolivia, in addition to 0.12 Tcf of LNG.

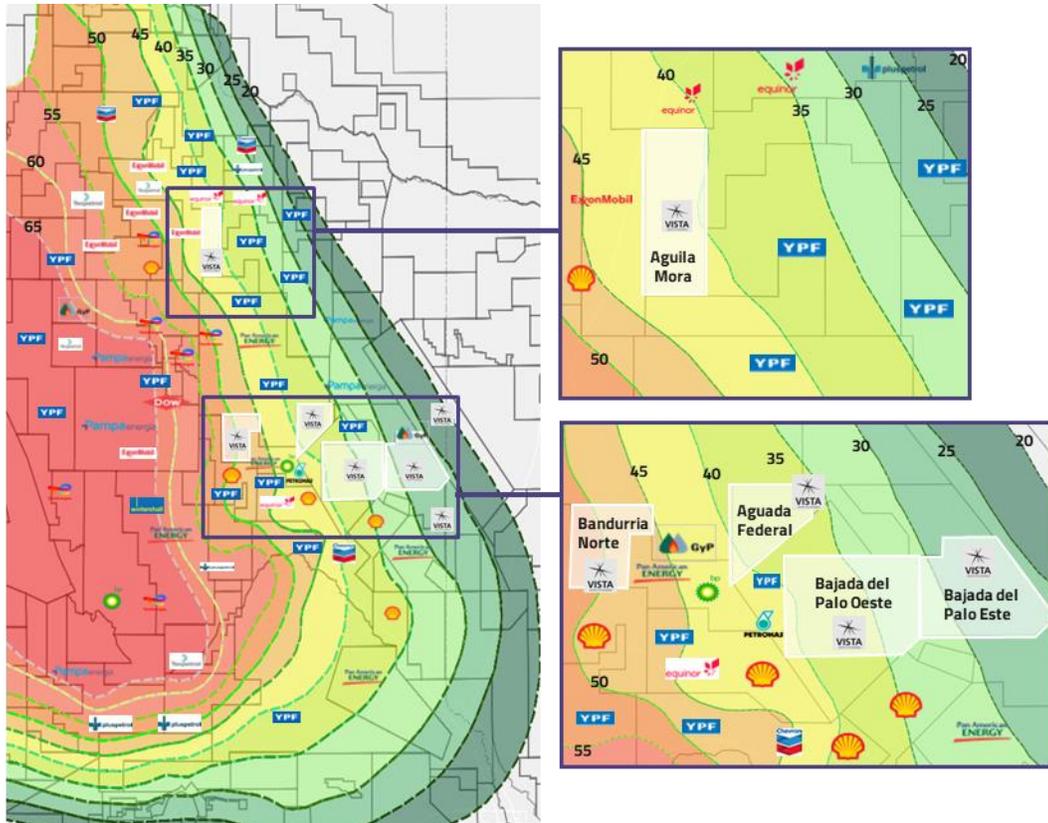
Vaca Muerta Shale Formation / Shale Potential Overview

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, and YPF. 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 pilots.

Distribution of the Vaca Muerta Formation in the Basin

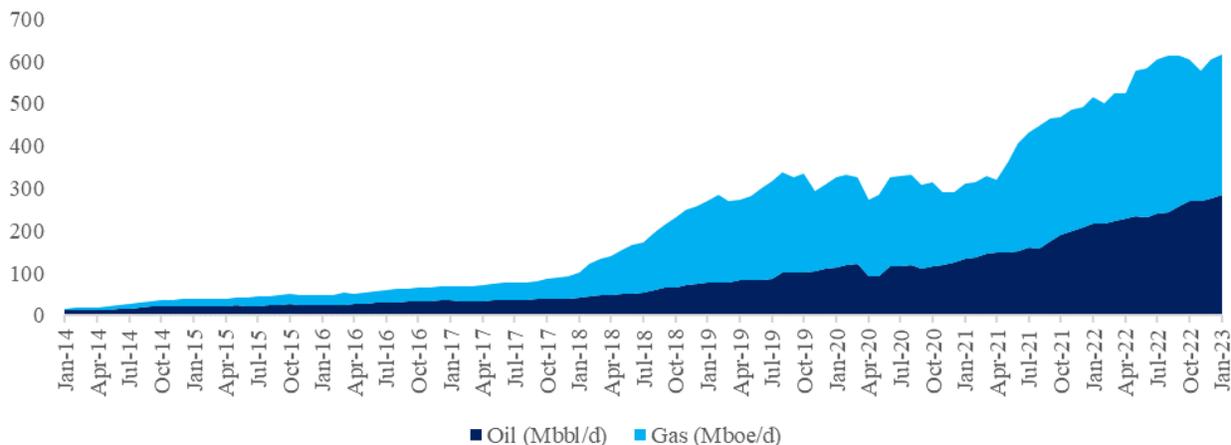


Contour lines numbers denote API degrees

Source: Company's Information and Press Articles

Production from Vaca Muerta reached 616.7 Mboe/d in January 2023. The shale oil production was mainly driven by Loma Campana, La Amarga Chica, Bandurria Sur, Bajada del Palo Oeste and Cruz de Lorena, which contributed with 197.6 Mbbbl/d. Shale gas production was mainly driven by Fortín de Piedra, Aguada Pichana Este, Rincón del Mangrullo, Aguada Pichana Oeste and La Calera, which contributed with 232.1 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 the geological characteristics of the Company’s Bajada del Palo Oeste block in Vaca Muerta compared to top tier U.S. onshore plays.

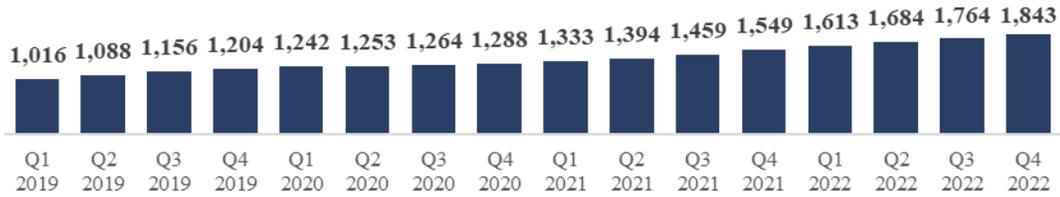
Play	Total Organic Content (“TOC”) (%)	Thickness (m)	Reservoir Pressure (psi/ft)
Bajada del Palo Oeste	4.2	250	0.9
Eagle Ford	3	200 – 300	0.5 – 0.8
Wolfcamp (Permian)	3 – 5	30 – 100	0.5 – 0.9

Source: Based on Company estimates, Ministry of Economy, Argentine Secretariat of Energy and the EIA.

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%.

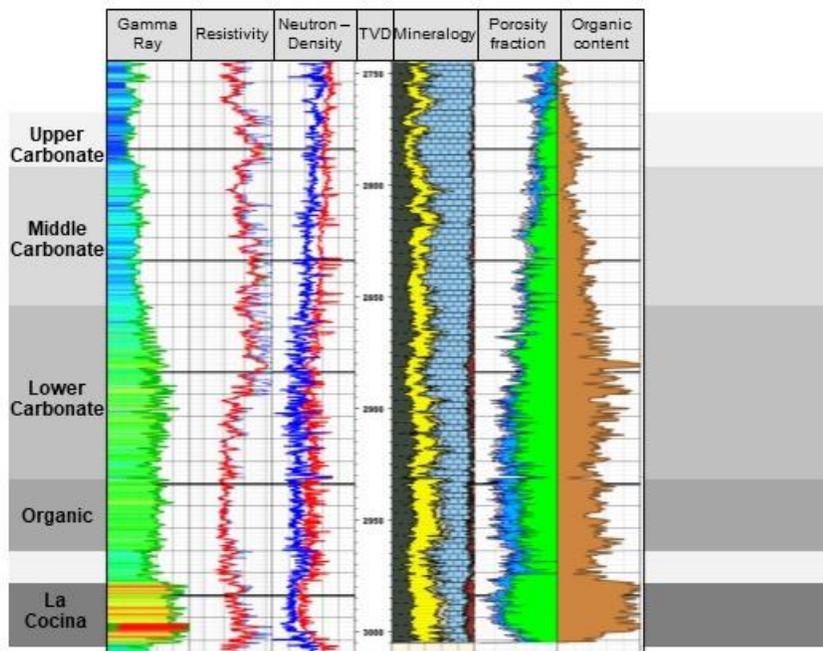
As of January 31, 2023, drilling activity had been historically centered within the Loma Campana concession operated by YPF in partnership with Chevron, with more than 720 wells drilled out of 1,899 total wells drilled in Vaca Muerta. Vaca Muerta continues to evolve with development beginning to spread beyond the historical center of activity to adjacent blocks such as La Amarga Chica, Fortin de Piedra, El Orejano, Bandurria Sur, Bajada del Palo Oeste and Aguada Pichana Este projects, which are ramping up drilling activity with more than 500 producing wells.

Total Completed Shale Well Count 1Q19—4Q22



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 1,900 wells in Vaca Muerta compared to more than 33,000 in the Permian. It is possible that Vaca Muerta could 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 connects the producing basins with the refineries. Refineries are in the Cuyo Basin (Luján de Cuyo), the Neuquina Basin (Plaza Huincul), the Noroteste Basin (Refinor) and in the Province of Buenos Aires (La Plata, Bahía Blanca, Dock Sud, Campana). 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 260,000 Mbbl/d.

In Puerto Rosales, a marine export terminal is operated by Oiltanking Ebytem S.A. (“OTE”), a company owned by YPF (30%) and Oiltanking (70%). OTE has 18 tanks with a storage capacity of 480,000 m³, of which 150,000 m³ are used to store Medanito type crude oil, and has two buoys, Punta Ancla and Punta Cigueña, with capacities of 106,000 and 67,500 deadweight tonnage, respectively. These two buoys provide services mainly for Panamax vessels loading and unloading.

Two projects are under execution to enable the evacuation of incremental production from Vaca Muerta. Oldelval’s Duplicar project is designed to upgrade the trunk pipeline connecting Vaca Muerta to the Atlantic export terminals. This project is expected to increase the pipeline capacity to 540,000 Mbbl/d by 2025, through the construction of new pump stations and pipeline loops. Additionally, OTE’s is executing an expansion project designed to upgrade the Atlantic export terminal through additional storage and throughput capacity.



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 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. Additionally, the Argentine government has commissioned the construction of the Néstor Kirchner gas pipeline to expand the gas transportation capacity from Vaca Muerta to the main domestic markets in Buenos Aires and surrounding areas. The first stage of the project will connect the towns of Tratayen and Salliqueló, with an approximate length of 570 km. The initial minimum capacity of the pipeline will be 11 MMm³/d, which will be expanded to 22 MMm³/d and 44 MMm³/d in subsequent stages.

Argentina has a gas pipelines network with the capacity to export gas to Chile from the Neuquina, Austral and Noroeste basins. The Austral basin is connected to Chile through a pipeline installed to supply the production complex of the company Methanex, in the extreme south of the country. The Neuquina Basin is connected to Chile through the GasAndes and Pacífico gas pipelines, with a total capacity of 13.5 MMm³/d. Due to its location in the Vaca Muerta formation, it is best placed to increase exports. To export gas to Brazil, there is a 2.8 MMm³/d gas pipeline that connects the towns of Aldea Brasileira in the Province of Entre Ríos with Uruguayana in Brazil. The export of gas to Uruguay is carried out through the Cruz del Sur gas pipeline, with a capacity of 6.0 MMm³/d, that connects the towns of Punta Lara and Colonia through a pipeline under the Río de la Plata bed, and through the gas pipeline between the towns of Colón and Paysandú. The Norandino and Atacama gas pipelines that connect the Province of Salta with the Antofagasta region in the north of the neighboring country, have spare capacity for exports. However, due to the production decline of the Noroeste basin, there is no gas available for exports.

Oil and Gas Regulatory Framework in Argentina

Introduction to the Hydrocarbon Market

The Hydrocarbons Law, as amended by the Short Law and Law No. 27,007, is the main body of legislation for oil and gas exploration and production. The enforcement authority for the Hydrocarbons Law is the Argentine Secretariat of Energy (“SdE”). As a result of the amendment of the Hydrocarbons Law by means of the Short Law, each province has its own enforcement authority. In particular, the Province of Neuquén has passed its own

Hydrocarbons Law No. 2,453, among other laws and regulations on these activities. The transportation, distribution and marketing of gas are independently regulated by Argentine National Law No. 24,076.

As stated above, following the enactment of the Short Law in January 2007, the licensing of exploration and exploitation activities in hydrocarbon reservoirs was transferred from the federal government to provincial governments. The Short Law acknowledged the eminent domain on hydrocarbon reservoirs from the provinces in accordance with Article 124 of the Argentine Constitution (including reservoirs to which concessions were granted prior to 1994) and granted provinces the right to administer such reservoirs. Hence, exploration permits and exploitation concessions existing at the time of enactment of the Short Law have been transferred to the corresponding provincial governments until their expiration. On the other hand, transportation concessions between provinces continue to be subject to federal jurisdiction.

Upstream business is based on exploration permits and exploitation concessions granted by each provincial government. Holders of exploration permits and exploitation concessionaires have exclusive rights on their areas. Companies may acquire rights to exploration permits or exploitation concessions through public bids held by the provinces or the federal government. Companies may also acquire rights by means of farm-in agreements or assignment of rights agreements entered into with third parties on existing permits or concessions. Oil rights are independent from surface rights. Oil production belongs to the title holder of an exploration permit or exploitation concession as from its extraction.

State-owned companies are entitled to hold exploration permits and exploitation concessions and to operate them. In the case of the Province of Neuquén, all vacant and relinquished areas were reserved in favor of the provincial state-owned company, GyP, which executed association agreements with other companies.

Despite of the above, Law No. 27,007 establishes that in the future the provinces and the federal government shall not establish any new areas reserved in favor of state-owned companies. 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.

Pursuant to Article 23 of the Hydrocarbons Law, the maximum terms of validity of exploration permits to be established by tender are shown below.

For exploration with a conventional objective:

- first term: up to three years;
- second term: up to three years; and
- extension period: up to five years.

For exploration with an unconventional objective:

- first term: up to four years;
- second term: up to four years; and
- extension period: up to five years.

The extension period, for both conventional and unconventional objectives, may only be requested by the permit holder who has complied with the investment commitment and the other obligations undertaken by it.

Article 35 of the Hydrocarbons Law provides that conventional exploitation concessions shall have 25-year terms, while unconventional exploitation concessions shall have 35-year terms. Unconventional exploitation concessions shall include a pilot plan period of up to five years, to be defined by the concessionaire and approved by the enforcement authority at the time of the concession's commencement. The Argentine Executive Branch may indefinitely extend the period of each exploitation concessions, both conventional and unconventional, for up to 10 years in each extension period, subject to the fact that concessionaire has complied with its obligations, the concession is producing hydrocarbons and an investment plan consistent with the development of the concession has

been submitted. The respective application shall be submitted at least one year before the expiration of the concession. Under the previous Hydrocarbons Law regime, the concessions could be extended only once for a 10-year term. 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.

According to Article 59 of the Hydrocarbons Law No. 17,319, the exploitation concessionaire shall pay to the state monthly a royalty of 12% of the production of liquid hydrocarbons at the well head, which can be reduced to up to 5% taking in to account the productivity, conditions, and location of wells. As a result of the process of transfer of eminent domain from the federal government to the provinces, the federal government has assigned the collection of royalties to the provinces. Royalty rates do not differ between onshore and offshore production. In the event of an extension of the term of an exploitation concession, an additional 3% royalty shall be paid on the applicable royalty at the time of the first extension and up to a total maximum of 18% for any subsequent extensions.

Law No. 27,007 provides for the possibility of the grantor to apply for 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.

Article 60 of the Hydrocarbons Law provides that the royalty shall be received in cash unless the government, at least 90 days in advance of the payment date, states its intention to receive payment in kind. Such decision shall remain valid for not less than six months.

Law No. 27,007 provides that the Argentine Executive Branch shall include in the Promotional Investment Regime (created by Decree No. 929/13) the direct investment projects that involve investments for an amount of no less than US\$250 million in a three-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 can be captured after the third year from the implementation of the respective projects and include an allowance for 20% of the project's production to be sold at international market prices for conventional or non-conventional projects, and 60% of the production for offshore projects. Offshore projects will be considered as those in which the drilling of wells is carried out in locations where the distance between the seabed and the surface, measured at the location of the well, on average between high and low tide, exceeds 90 meters.

Law No. 27,007 also establishes 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 former 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 establishes that the Government of Argentina and the Provinces shall promote the adoption of a uniform tax treatment that promotes hydrocarbon activities.

Exploration permits and exploitation concessions constitute an acquired right that cannot be terminated without legal indemnification. However, the competent provincial authorities have the right to revoke these licenses in the event of non-compliance with the conditions of the permit or concession by the licensee (Article 80 of Law No. 17,319). Licensees may also partially or totally relinquish, at any time, the surface of a permit or concession. If an exploration permit is relinquished, the licensee will be obliged to pay the investment amounts committed and not fulfilled (Articles 20 and 81 of Law No. 17,319).

In addition, expropriations in Argentina are regulated by the Federal Expropriations Law No. 21,499, which does not include specific provisions for oil and gas licenses. 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, 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. Those interested in carrying them out must have the prior authorization of the surface owner and shall be liable for any damage they may cause. Reconnaissance work may not begin without prior approval of the application authority. The permit will state the type of study to be carried out, the term of its validity and the limits and extension of the areas where it will be carried out.

In the event that holders of an exploration permit discover commercially exploitable quantities of oil or gas, such holders are 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.

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.

Fees and Royalties:

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 holder of an exploration permit shall pay annually and in advance a fee for each square kilometer or fraction thereof, according to the following scale:
 - *first period:* the equivalent amount in Argentine pesos of 0.46 barrels of oil per square kilometer.
 - *second period:* The equivalent amount in Argentine pesos of 1.84 barrels of oil per square kilometer.

- *extension*: The equivalent amount in Argentine pesos of 32.22 barrels of oil per square kilometer.
- The holder of an exploitation concession shall pay annually and in advance the equivalent amount in Argentine pesos of 8.28 barrels of oil per square kilometer or fraction thereof as royalty.

The price to be considered to determine the value of the barrel of oil for the purposes of calculating the exploration and the exploitation fees above mentioned, will be the one arising from the average of the domestic oil market price corresponding to the first semester of the year prior to the settlement.

On the other hand, royalties are defined as the only income mechanism on the production of hydrocarbons to be received by the jurisdictions owning the hydrocarbon domain as grantors.

As further explained above, Law No. 27,007 maintained the 12% rate established in the original Hydrocarbons Law. The possibility of reducing the royalty up to 5% taking into account the productivity, conditions and location of the wells is maintained. In case of an extension, an additional royalty of up to 3% of the royalty applicable at the time of the first extension and up to a total maximum of 18% royalty for the following extensions will be payable.

For the performance of complementary activities of conventional hydrocarbon exploitation (Section 59 of Law No. 17,319 as amended by Law No. 27,007), as from the expiration of the term of the concession duly granted and within the concession of non-conventional hydrocarbon exploitation, the enforcement authority may fix an additional royalty of up to 3% with respect to the royalty in force, up to a maximum of 18% as applicable.

The National or Provincial executive branches, as the case may be, as the granting authority, may reduce up to 25% the amount corresponding to royalties applicable to hydrocarbon production and during the 10 years following the completion of the pilot project in favor of companies that request a concession for non-conventional hydrocarbon exploitation within 36 months from the effective date of Law No. 27,007.

Finally, the Hydrocarbons Law contemplates the possibility that, with the prior approval of the authority, royalties may be reduced by 50% for tertiary production projects, extra heavy oil and offshore, based on their productivity, location and other unfavorable technical and economic characteristics.

Resolution No. 435/04 issued by the Secretariat of Energy, which amends Resolution No. 155 (i) imposes additional information requirements in connection with royalties, (ii) introduces certain changes regarding the powers of the provinces, (iii) modifies certain parts of the royalty determination system, including deductions and applicable exchange rates and (iv) establishes fines for non-compliance with the duty of information. This resolution has been applied to holders of production permits and concessions since June 2004.

Offshore exploration:

In October 2018, Decree No. 872/2018 was published, ordering the SdE 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 SdE was published pursuant to which the SdE 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 SdE. 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 2019 through Resolution No. 276/2019 of the SdE.

Reserves and Resources Certification in Argentina

The estimation of reserves and resources in Argentina is mainly governed by SdE 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 SdE. 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 SdE 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—Key Information—Risk Factors—Detailed 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 SdE 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 SdE. References to Argentina’s “proved reserves” follow the definition of “proved reserves” as set forth in the guidelines published by the SdE. 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 SdE.

Transportation

The Hydrocarbons Law grants hydrocarbon producers the exclusive 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, under terms specified in the Hydrocarbons Law and Decree No. 44/91. Transportation concessions include storage, ports, pipelines and any other fixed facilities necessary for the transportation of oil and by-products. Transportation concessions corresponding to pipelines or facilities that do not exceed the boundaries of a single province are exclusively subject to the licensing and jurisdiction of such province. International or interprovincial transportation concessions continue to be subject to federal jurisdiction.

The term for transport concessions shall be granted and extended to the equivalent terms for exploitations concessions related to the transportation 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 National Gas Regulatory Agency (*Ente Nacional Regulador del Gas*) in Argentina established by Law No. 24, 076 ("ENARGAS") or the SdE. SdE 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.

On February 7, 2019, the Argentine Government issued Decree No. 115/2019, which amends certain relevant provisions of Decree No. 44/1991:

- The tariffs applicable to shippers for the transportation services of hydrocarbons by pipelines, gas pipelines, poly-pipelines and/or any other permanent and fixed installation for the transportation, loading, dispatch, collection infrastructure, compression, conditioning and treatment of hydrocarbons, shall be adjusted every five years. If prior to the end of such period there are significant variations in the base indicators for the tariff calculations, at the request of the concession holder, such tariffs may be revised by the authority of application. For the financing and amortization of new investments, the authority of application may contemplate a longer period for the validity of the tariff calculation;
- The available capacity (difference between the maximum transportation capacity of the pipeline and the transporter's own needs approved by the authority of application) shall be declared annually by the transportation concessionaires, according to the procedure established by the authority of application;
- The term of the transportation concessions awarded through the bidding or tender procedure provided for in Section 5 of Title II of Law No. 17,319, as amended, shall be 35 years, counted from the date they were granted. Concession holders may request extensions for a term of 10 years each, provided they have complied with their obligations, are transporting hydrocarbons at the time of requesting the extension and submit a work plan and associated investments. Those transportation concessions granted prior to the entry into force of Decree No. 115/2019, shall be governed by the terms and conditions of its granting;
- The holders of liquid hydrocarbon transportation concessions granted as from the entry into force of Decree No. 115/2019 and the holders of liquid hydrocarbon transportation concessions granted prior to that date, with respect to the volume of capacity expansions of their facilities carried out after that same date, may ensure firm service capacity to any interested shipper through capacity reservation contracts. These contracts may be freely negotiated as to their allocation modality, prices and volumes. Uncontracted capacity and unused contracted capacity shall be subject to the tariff approved by the authority of application;

- In cases of transfer of a transportation concession, the termination of the transferor's operating concession, whatever its cause, shall not affect the validity of the transportation concession;
- The authority of application of Law No. 17,319, as amended, will establish the procedure for capacity expansions of existing pipelines;
- Authorizes the authority of application of Law No. 17,319, as amended, to call a public bidding or tender for the awarding of one or more transportation concessions and to determine the terms and conditions of the tenders to be called based on proposals submitted by those interested in obtaining a transportation concession.

On July 1, 2019, through Resolution No. 357/2019 of the SdE, the terms and conditions of the tender offers to be organized pursuant to the decree were approved, based on the proposals submitted by those interested in obtaining a transportation concession under the terms of Article 46 of the Hydrocarbons Law.

On May 7, 2021, Resolution No. 385/2021 of the SdE was published in the Official Gazette, repealing the Resolution No. 29/2010 of the SdE that established the rules for the registration of companies in the former "Registry of Transportation Concession Companies".

Resolution No. 385/2021 of the SdE approved the rules for the registration of companies who perform liquid hydrocarbon transportation through pipelines and sea terminals (*Empresas Transportistas de Hidrocarburos Líquidos por Ductos y a través de Terminales Marítimas*) in the Oiling Companies Registry created by means of Decree No. 5906/67 (*Registro de Empresas Petroleras*). The resolution established that the companies registered in the former "Registry of Transportation Concession Companies" (established by Resolution No. 29/2010) will be automatically considered as registered in the new Registry, and the provisions of this new resolution will be applicable to them.

This measure is applicable to those companies that by themselves or associated to third parties, transport liquid hydrocarbons by land or offshore, by means of oil pipelines, gas pipelines, polyducts and/or any other permanent and fixed installation for the transportation, loading, dispatch, collection infrastructure, compression, conditioning and treatment of hydrocarbons that have or intend to obtain a transportation concession at national or provincial level. These companies may start the registration process in the Oiling Companies Registry (*Registro de Empresas Petroleras*) at any time of the year, while the re-registration must be carried out during the month of July of each year. It also set forth requirements to be fulfilled by companies who are registered in such registry.

On August 23, 2021, Decree No. 540/2021 was published in the Official Gazette, which implemented for the existing transportation concessions and for those to be granted thereafter the service of non-physical transportation of liquid hydrocarbons through pipelines up to the entry flange to the storage plant, based on the general conditions set forth therein.

"Non-physical" transportation means the service whereby the shipper delivers liquid hydrocarbons at a given loading point and requests the return of an equivalent quantity of liquid hydrocarbons at a return point other than the return point (or points) established according to the normal and customary direction of flow or movement of the crude oil, within the scope of a single transportation concession.

The shipper may request and the carrier shall implement the non-physical transportation service of a certain volume of liquid hydrocarbons when required, as long as the technical and operational conditions of its transportation system allow it, and shall proceed to return the volume received, to the extent that the equivalent amount of liquid hydrocarbons is available at the requested delivery point. In the non-physical transportation service, the shipper shall observe the technical specifications for the entry of liquid hydrocarbons set forth in Annex I of Resolution SdE No. 571/2019 as amended.

The carrier shall establish the specific technical and operational conditions for the non-physical transport service in its Internal Regulations, in accordance with the regulations in force and the provisions of Decree No. 540/2021.

The carrier may establish an administrative management charge for the non-physical transportation service, which shall not be part of the tariff and shall be paid by the shipper requesting the implementation of the service.

No shipper may refuse that the volume delivered at a certain delivery point be used by the carrier to fulfill a non-physical transport requested by another shipper, provided that the shipper requiring the physical transport receives at the point of return nominated by him the quantity of oil adjusted according to the volumetric adjustment and the equivalent quality as established in the approved quality bank (*banco de calidad*), a compensation mechanism to be established by the carrier.

Upon granting of the license (exploration permit or exploitation concession), all the equipment and facilities existing or to be installed in the block, as well as the buildings and fixed or movable facilities, shall belong to the licensee. Once the original term and all relevant extensions elapse, the facilities revert to the federal or provincial government, being applicable to such extent decommissioning rules.

Authorized Governmental Agency

Pursuant to Article 3 of the Hydrocarbons Law, Article 2 of the Short Law and Article 2 of Law No. 26,741 (the “Hydrocarbons Sovereignty Law”), the Argentine Executive Branch establishes the federal policy applicable to the exploration, exploitation, refining, transportation and marketing liquid hydrocarbons for domestic supply.

The Argentine Executive Branch oversees the determination of the areas in which hydrocarbon-related activities should be promoted, and together with the Provincial Governments, is in charge of granting permits and concessions. According to the Hydrocarbons Federalization Law No. 24,145, each Province has the authority to enforce the Hydrocarbons Law in its own territory.

According to Decree No. 451/2022, published in the Official Gazette on August 3, 2022, the preparation, proposal and execution of the national energy policy is under the responsibility of the National Ministry of Economy. This competence is exercised by the SdE. In matters related to hydrocarbons, the SdE is assisted by the Undersecretariat of Hydrocarbons.

Equity Requirements

To be holders of exploration permits or exploitation concessions, irrespective of the province where the activities are developed, companies must be registered with the Registry of Hydrocarbon Exploration and Exploitation Companies maintained by the SdE. Such holders and concessionaires must have adequate financial resources and technical capabilities to perform the operations involved in the rights bestowed upon them. Further, such holders shall assume exclusive responsibility for liabilities associated with exploration and production activities. Registration with the Registry is also a requirement to be able to be an operator of permits and concessions and has to be annually renewed and can be revoked if technical capacity cannot be proved.

Furthermore, Article 5 of the Hydrocarbons Law provides that holders of permits and concessions shall establish legal domicile within Argentina.

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 27,000 barrels of oil for on-shore areas and (ii) the value in Argentine Pesos of 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.

In all cases, the company or association of companies holding the permit or concession must maintain such net equity throughout the term of the permit or concession. These equity requirements may be satisfied by means of financial or other guarantees.

Crude Oil Market

The Hydrocarbons Law empowers the Argentine Executive Branch to set the national policy with respect to the exploitation, industrialization, transportation, and commercialization of hydrocarbons, with the main purpose of satisfying the country's hydrocarbons needs with the production of its deposits, maintaining reserves that ensure such purpose. Likewise, Section 1 of the Hydrocarbons Sovereignty Law declared the achievement of self-sufficiency of hydrocarbons as a national public interest and as a priority objective of the Argentine Republic. In this context, the final purchaser of crude oil in the domestic market may be a refinery, a large producer or a fuel trader.

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 monthly), 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*) through Decree No. 2014/2008 and Resolution SdE No. 1312/2008 and Oil Encouragement Program (*Programa de Estímulo a la Producción de Petróleo Crudo*) through Resolution No. 14/2015 of the Strategic Planning and Coordination Commission of the National Hydrocarbon Investment Plan, complemented by Resolution No. 33/2015 of the same Commission.

Likewise, in recent years, measures and agreements have been implemented to fix crude oil prices in the local market. The most recent one has been Decree No. 488/2020, which will be detailed below.

The Solidarity Law 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 Argentine Executive Branch could exercise these powers until December 31, 2021.

The Hydrocarbons Law empowers the Argentine Executive Branch 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, in order to adopt new urgent and transitory measures to effectively meet the objectives of the hydrocarbons policy and ensure self-supply in the medium term. To this end, it was stated that it was necessary to fix, on a transitory basis, the commercialization price in the local market of a barrel of crude oil, so that the producing companies could cover the operating costs and sustain the levels of activity and/or production.

However, 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 five 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.

Export operations of crude oil and oil by-products currently require prior registration in the Registry of Export Operations Agreements (*Registro de Contratos de Operaciones de Exportación*) and authorization by the SdE (according to the regime established in Resolution S.E. No. 241-E/2017 and its subsequent amendments and complements). Oil companies and oil refineries intending to export crude oil, liquefied petroleum gas or gasoil, among others, must demonstrate, prior to obtaining the authorization, that the offer for sale of such product has already been made to and rejected by local buyers.

Gas Market

In order to foster the production of natural gas, the Argentine government adopted different programs over the past years, such as the “Natural Gas Additional Injection Stimulus Program”, commonly known as the Gas Plan (Programa de Estímulo a la Inyección Excedente de Gas Natural – Plan Gas) implemented by Resolution No. 1/2013 of the former Strategic Planning and Coordination Commission; the “Natural Gas Injection Stimulus Program for Companies with Reduced Injection”, commonly known as “Gas Plan II” (Programa de Estímulo a la Inyección de Gas Natural para Empresas con Inyección Reducida) implemented by Resolution No. 60/2013 of the former Strategic Planning and Coordination Commission and regulated by Resolution No. 83/2013 of the same Commission; the “Natural Gas Injection Stimulus Program for Companies with No Injection” (Programa de Estímulo a la Inyección de Gas Natural para Empresas Sin Inyección) created by Resolution No. 185/2015; the “New Natural Gas Projects Stimulus Program”, known as Gas Plan III (Programa de Estímulo a los Nuevos Proyectos de Gas Natural), created by Resolution 74/2016, according to which the program would be in force until December 31, 2018; the “Stimulus Program for Investments in Natural Gas Production Developments from Non-conventional Reservoirs” (*Programa de Estímulo a las Inversiones en Desarrollos de Producción de Gas Natural Proveniente de Reservorios No Convencionales*) created by Resolution No. 46-E/2017 of the former MEyM, as amended by Resolution No. 419-E/2017 of the same ministry.

Gas Plan 2020-2024 (Gas.Ar Plan)

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 Gas.Ar 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 CMMESA (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 SdE, as detailed further below.
- b. It shall have an initial duration of four years, which may be extended by the SdE for additional periods of one year each based on its analysis of the gas market, demand volumes and investment possibilities in infrastructure. For offshore projects, a longer term of up to eight years may be contemplated.
- c. Comprises a total volume of 70 MMm³/d for the 365 days of each year in which the Gas.Ar Plan is in place (distributed as follows (i) Austral Basin 20 MMm³/d, (ii) Neuquina Basin 47.2 MMm³/d, and (iii) Northwest Basin 2.8 MMm³/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 MMm³/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 monthly 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 BCRA 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 Gas.Ar Plan.
- h. Resolutions No. 80/17 and 175/19 of the SdE (formerly known as *Secretaría de Gobierno de Energía*) were derogated. The SdE is empowered to issue all administrative acts necessary to establish a transition mechanism for the users included in the derogated regulations.

Special Regimes for Access to the Foreign Exchange Market

Through Decree No. 277/2022, published in the Official Gazette on May 27, 2022, and its Regulatory Decree No. 484/2022, published in the Official Gazette on August 16, 2022, the Argentine Executive Branch created (i) the Foreign Currency Access Regime for Incremental Oil Production (“RADPIP”, for its acronym in Spanish) and (ii) the Foreign Currency Access Regime for Incremental Natural Gas Production (“RADPIGN”, also for its acronym in Spanish), in order to provide hydrocarbons producers with the necessary foreign currency access rules to boost investment in the sector.

The most salient aspects of these regimes are, among others, the following:

- *Beneficiaries*: individuals registered in the Registry of Oil Companies –Producers Section–, who are holders of hydrocarbon exploitation concessions granted by the National Government, the Provinces or the Autonomous City of Buenos Aires, as the case may be; upon compliance with the requirements set forth in this decree and its complementary rules;
 - The beneficiaries may, for the purpose of promoting the necessary investments to increase the production of the hydrocarbon areas under their ownership, present themselves jointly with other legal entities (“associated third parties”), duly registered, that comply with the requirements established in the regulations and that reliably prove a contractual relationship with the beneficiary of at least twelve (12) months, with a minimum effective investment of US\$50,000,000.
- *Access Requirements*: to access the RADPIP and RADPIGN, beneficiaries must comply with certain requirements set forth in the regulations, including, but not limited to, obtaining incremental crude oil production (RADPIP) and/or obtaining incremental natural gas injection levels (RADPIGN), in addition to complying with the regime for the Promotion of Employment, Labor and Development of Regional and National Suppliers of the Hydrocarbons Industry approved in the aforementioned decrees (“RPEPNIH”).
 - The RPEPNIH includes the obligation to submit Regional and National Supplier Development Plans (PDPRN) and a preference application scheme that prioritizes the procurement of goods and services of national and regional origin.
- *Benefits*:
 - RADPIP: beneficiaries will have access to the foreign exchange market for an amount equivalent to their Incremental Production Volume Benefit (VPIB), i.e., an amount

equivalent to 20% of their incremental quarterly production over the 2021 baseline production.

- **RADPIGN**: beneficiaries will have access to the foreign exchange market for an amount equivalent to their Incremental Beneficial Injection Volume (VIIB), i.e., an amount equivalent to 30% of the quarterly incremental injection over the 2021 production base.

If certain conditions set forth in the regulations are met, the above-mentioned percentages may be increased.

- *Period for requesting benefits*: beneficiaries (and their associated third parties) may request the recognition of benefits starting in the third quarter of 2022. The recognition of the benefit must be requested within 15 working days after the end of each quarter. The SdE and the Federal Public Revenue Agency (AFIP by Spanish acronym) will implement the complementary measures so that the benefit recognition process is concluded within a term no longer than 90 calendar days as from the closing of the quarter for which it is requested. Once the relevant requirements have been complied with, the SdE will issue a certificate which will be notified by note to the beneficiaries, to the AFIP and to the BCRA.
- *Transfer*: RADPIP and RADPIGN benefits may be transferred to direct suppliers of the beneficiaries.

On October 28, 2022, the Central Bank passed Communication “A” 7626 by means of which it established the process beneficiaries shall follow in order to access foreign currency regulated by Decree 277/22. On January 16, 2023, the Secretary of Energy published Resolution 13/2023 where it stated certain new formalities and procedures beneficiaries shall follow in order to adhere to the regimes established by the Decree.

Sustainability

Argentina has regulation regarding the protection of the environment on a federal, provincial and municipal level, as well as in the Argentine Constitution.

For instance, Argentina applies the “polluter pays” principle and requires a mandatory approval of an environmental impact assessment for conducting risky activities. Moreover, legislation guarantees the right to access to environmental information, public participation in the environmental decision-making process, and access to justice in environmental matters. Environmental insurance is required, and reporting duties are also established. Argentina has approved several human rights international treaties and, in particular, related to the environment.

In addition, Argentina has passed several regulations on sustainability. For instance, a national administration procurement regime has been established by means of Decrees No. 1023/01 and No. 1030/16, which requires to consider sustainability in the decision-making process in the acquisition of services and goods by the public administration. Furthermore, recently issued Decree No. 31/2023 declares as a priority a national public policy for sustainable management of resources used by national public agencies. Those practices provide for the efficient management of the following: electric energy; water; natural gas; waste; public procurement; accessibility; sustainable mobility; and green areas and spaces.

Likewise, by means of its Resolution No. 635/2022 (as amended by its Resolution No. 668/2022) the Ministry of Transportation approved the National Sustainable Transportation Plan. Its main objective is to promote energy transition and efficiency in transportation to achieve sustainable mobility. Such plan contains a set of strategies and policies to be implemented by 2030, promoting the reduction of GHG emissions. Other sustainability regulations have been passed. Its impact on the oil & gas industry has yet to be assessed.

In addition, as a member of the UNFCCC and a Party to the Paris Agreement, Argentina has committed to submit its Nationally Determined Contributions (“NDCs”), which are basically the proposed climate actions. The emission limit committed by Argentina, according to the information that emerges from the updated NDCs in October

2021, is not to exceed the net emission of 349 million tons of carbon dioxide equivalent (MtCO_{2e}) in the year 2030. This goal is applicable to all sectors of the economy.

The NDCs set forth that towards 2030, the Argentine Republic will carry out an energy transition, focusing its efforts on the promotion of energy efficiency, renewable energies, and the promotion of distributed generation, using natural gas as a transition fuel during this period.

In order to follow up on this commitment -which aim is to contribute to the standards set forth in the Paris Agreement- Argentina must draft and report to the UNFCCC the National Green House Gases Inventory (INGEI for its acronym in Spanish). In addition, by means of Resolution No. 363/2021 issued by the Ministry of Environment and Sustainable Development, Argentina has created the National Registry of Climate Change Mitigation Projects, where the existing mitigation projects are registered. The scope of such register has not been determined as of the date of this annual report; therefore, its application cannot yet be defined.

Guidelines for an Energy Transition Plan to 2030

On November 1, 2021, Resolution No. 1036/2021 of the SdE was published in the Official Gazette, which approved the Guidelines for an Energy Transition Plan to 2030. These guidelines list six economic policy objectives to characterize a productive structure that is (i) inclusive, (ii) dynamic, (iii) stable, (iv) federal, (v) sovereign and (vi) sustainable.

The document develops different energy scenarios and their impacts on the sector's emissions forecast. Two electricity supply scenarios are also incorporated, as well as the investment requirements of each one. Both scenarios seek to mitigate the impact of emissions and propose the active implementation of residential and transportation energy efficiency policies.

The scenarios arise from the combination of demand and supply policies. From the point of view of demand, policies are proposed in two aspects: on the one hand, in the transportation sector, with a trend trajectory regarding the increase in the fleet and its motorization, including a penetration of electric vehicles and, on the other hand, an increase in the fleet using natural gas, such as CNG and LNG, depending on the mode of transportation.

On the electricity and natural gas demand side, two scenarios are presented, a trend scenario where existing efficiency policies are proposed, and on the other side, an improvement in efficiency in energy use in both gas and electricity demand.

In terms of supply, two possible scenarios are presented. The first implies higher oil and natural gas requirements with a 20% share of renewable energy generation in the electricity matrix by 2030. The second scenario assumes higher natural gas requirements and relatively lower oil requirements, together with a higher share of renewable energies in electricity generation, reaching 30%.

Mexico's Oil and Gas Industry Overview

According to the US' International Trade Administration, Mexico is the thirteenth largest producer of oil in the world and has the third largest proved oil reserves in Latin America, after Venezuela and Brazil. Mexico has significant hydrocarbon resources with estimated oil and gas proved developed and undeveloped reserves of 8.0

Bnboe and 3P reserves of 22.2 Bnboe, in each case as of January 1, 2022, according to the CNH. Multiple formations exist to develop productive fields.



Mexico's Basins, *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 3.37 MMbbl/d in 2006 to 1.62 MMbbl/d as of the date of this annual report due to the decrease in production from the Cantarell field, according to the CNH. Nevertheless, during last three years oil production was generally stable, and opportunities exist 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, 2022
(Bnboe)**

Geological Basin	Cumulative production	Reserves	
		1P	3P
Southeast	46.5	6.0	13.9
Tampico Misantla	6.5	1.0	5.6
Burgos	2.4	0.1	0.4
Veracruz	0.8	0.7	2.0
Sabinas	0.1	0.0	0.0
Others*	0.0	0.0	0.1
Deepwater	0.0	0.1	0.2
Total Mexico	56.3	8.0	22.2

* 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. 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 Bnbbbl 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 Bnbbbl (equivalent to more than two years of the total oil production of Mexico).

The 2013 Energy Reform

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, Mexican 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 sought 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 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 of the date of this annual report, the CNH has awarded and executed 109 contracts of exploration and production. Of those, 51 (46.78%) have been onshore, while approximately 31 (28.44 %) have been in shallow waters and 27 (24.77%) have been in deep waters. In 2022, production reached a total aggregate amount of 176.1Mbbbl/d of oil and 244.3 MMcf/d 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, 16 in Round 3 and five Migrations. 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, Equinor (formerly Statoil), DEA, Lukoil, CNOOC, Pan American, Fieldwood and Talos. These represent the first E&P Agreements awarded in Mexico since 1938. Nonetheless, some of such companies (e.g., British Petroleum, Repsol and Equinor (formerly Statoil)) have recently announced or undertaken relinquishment procedures of E&P agreements arising from the lack of chance of geological success.

On December 11, 2018, the CNH cancelled the second and third bids for Round 3. This was because the 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. 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.

In October 2021, the government presented the Five-Year Plan for 2020-2024. This new plan is characterized by prioritization of investments in shallow waters and conventional onshore areas, excluding unconventional onshore areas and deep-water. Pursuant to the Five-Year Plan for 2020-2024, the Federal Government

determined that the current administration will not undertake new bids to award contractual areas for exploration and production activities until the current contracts can demonstrate that profits have been obtained.

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: 93.19 MMboe) and Ogarrio (3P reserves: 53.97 MMboe) 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 regulatory regime in force, 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 five integrated E&P services contracts have been successfully migrated to production sharing agreements or licenses.

Oil and Gas Services Sector

Oil and Gas service companies are well established across the country, providing their services to onshore and offshore operations. All major international oil and gas service companies are present, with an increasing amount of small local providers available for certain activities at competitive costs.

Midstream and Downstream Infrastructure

There have been a number of investments in infrastructure development, which has included important investments in midstream and downstream facilities. For example, the progress made in the construction of the Dos

Bocas refinery, still under development, and the purchase of the Deer Park refinery in Houston are part of a strategy to reduce all hydrocarbon imports, with the objective of leading to self-sufficiency in terms of refined products.

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, 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 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 (*Comisión Reguladora de Energía*, “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 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 CRE 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.

On May 4, 2021, the bill to reform and amend the Hydrocarbons Law (*Ley de Hidrocarburos*) was published on the Official Gazette (the “Hydrocarbons Law Reform”). In general terms, the Hydrocarbons Law Reform affects the permit regime originally set forth in the Hydrocarbons Law, by granting greater powers to the SENER and the CRE to grant, review and revoke the different permits contemplated in the Hydrocarbons Law. The main objectives of the Hydrocarbons Law Reform include, among others: (i) compliance with the public policy of minimum storage of petroleum products issued by the SENER; (ii) increasing the regulation of the revocation of existing permits; (iii) combating fuel theft (illegal bunkering); (iv) providing for the suspension of permits in the event of a national security issue; and (v) including new causes for the revocation of permits.

Moreover, the Hydrocarbons Law Reform wrestles back public control of Mexico’s fuel sales sector. Consequently, the Hydrocarbons Law Reform has a greater impact on entities in the downstream and midstream segments. The amendments introduced by the Hydrocarbons Law Reform 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 Hydrocarbons Law Reform, 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 Hydrocarbons Law Reform 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).

Additionally, on September 30, 2021, President Andrés Manuel López Obrador, introduced a constitutional bill to reform the energy sector in Mexico to the Chamber of Deputies, which entailed the amendment of Articles 25, 27 and 28 of the Mexican Constitution and its corresponding modification to the secondary laws, mainly the Electric Industry Law (*Ley de la Industria Eléctrica*) (the “Constitutional Energy Reform”) in order to intend for the Mexican State retaking control of the electricity sector through its state-owned productive company, CFE. However, in April 2022, it did not gather the sufficient votes to reach the qualified majority on the Chamber of Deputies to pass.

As a consequence, the energy sector, at a constitutional level, remains unchanged as it was approved during the 2013 Energy Reform.

On October 27, 2022, Agustín Díaz Lastra was appointed as the CNH’s new commissioner president for a seven-year term. Additionally, on March 23, 2023, Salvador Ortuño Arzate was appointed as a new CNH commissioner to fill the vacancy left by former CNH commissioner Alma América Porres Luna on December 31, 2022, at the end of her term as commissioner. The new CNH commissioner will serve a seven years tenure from March 2023 until December 2029.

Additionally, on February 28, 2023, the CRE published resolution A/004/2023 (the “Resolution”), whereby it reinstated, as of March 1, 2023, the procedures previously suspended by the CRE during the COVID-19 pandemic, in accordance with the following rules:

- (i) Pending proceedings filed prior to the entry into force of the COVID-19 pandemic mitigation measures will be processed according to the priority published on the official website of the SRA.;
- (ii) The procedures submitted after the entry into force of the Resolution will be processed according to the folio number granted by the CRE (only one application per month per person will be received);
- (iii) Folio numbers will be available five business days prior to the relevant month (except for March 2023, when folios will be available within the first five business days of that month).;
- (iv) The folio number will be assigned according to the following:
 - a. 50 per month in hydrocarbons matters;
 - b. 15 per month for electricity matters; and
 - c. 120 per month of pre-registrations.
- (v) The requests, applications or filings carried out before the CRE will be understood as carried out as of March 1, 2023;
- (vi) The number of monthly procedures received and to be processed may be increased once all the matters referred to above are attended to;
- (vii) CRE’s Executive Secretary may authorize additional days and hours that are necessary for its Governing Body to attend the matters they deem necessary in accordance with the priority order for pending procedures.

After its publication in the Federal Register (*Diario Oficial de la Federación*), the Resolution lifted the suspension of legal deadlines as of March 1, 2023. The Resolution intends to address the three-year delay and meet the needs of the regulated market. However, the Resolution fails to explain why the power sector is given such few monthly slots for new filings, compared to the other two sectors. With this Resolution, CRE expects to respond to all the pending procedures as a consequence of the implementation of COVID-19 pandemic mitigation measures. As of the date of the Resolution, there were 9,963 pending procedures, of which 7,887 relate to hydrocarbons, 858 to power, and 1,218 to pre-registration.

Along these lines, the Mexican Judiciary has demonstrated its independence and adherence to the rule of law, by admitting more than five thousand injunctions to halt the entry into force of some of the most controversial measures adopted by the current Mexican Government and minimize the impact of the amendments of the Hydrocarbons Law Reform. However, recent events and enactments continue to generate criticism and uncertainty, according to various organizations and stakeholders in the industry.

Reserves and Resources Certification in Mexico

On August 13, 2015, 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—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 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 (*Secretaría de Hacienda y Crédito Público* or “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 (“CENAGAS”) is another 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 (*Comisión Federal de Competencia Económica* or “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 CRE 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—Detailed Risk Factors—Risks Related to the Argentine and Mexican Economic and Regulatory Environments— 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 CRE, the COFECE, Ministry of Environment and Natural Resources (*Secretaría de Medio Ambiente y Recursos Naturales* or “SEMARNAT”), the Safety, Energy and Environmental Agency (*Agencia de Seguridad, Energía y Ambiente* or “ASEA”) and the SENER, real estate rights-of-way, and other related authorizations. Permits issued by the CRE 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.

However, on June 11, 2021, the Mexican Tax Administration Service (*Servicio de Administración Tributaria* SAT) published in the Federal Official Gazette the Seventh Resolution of Amendments to the General Rules of Foreign Trade for 2020 (*Séptima Resolución de Modificaciones a las Reglas Generales de Comercio Exterior para 2020*). In particular, the amendment to Rule 2.4.1. has generated uncertainty among investors in the sector. The amendment implies that only State-owned productive enterprises (Pemex or CFE) and their subsidiaries may obtain (i) the authorization to import or export hydrocarbons, fuels, petrochemicals, and other products from a place other than the authorized location or, (ii) the extension of such authorization. As a result, private investors may only import and export said products through customs, customs sections, international airports, authorized border crossings, ports, railway terminals that have customs services, and the other locations set forth in Article 9 of the Regulation of the Customs Law (*Reglamento de la Ley Aduanera*); while the State-owned companies will not be bound by such restrictions. This amendment, among other things, may (i) significantly restricts the private sector’s options to export from, and import petrochemicals and hydrocarbons to Mexico; and (ii) put at risk the continuity and execution of business plans and investment projects in the development of new supply chains and infrastructure in the energy sector.

Federal Environmental Law

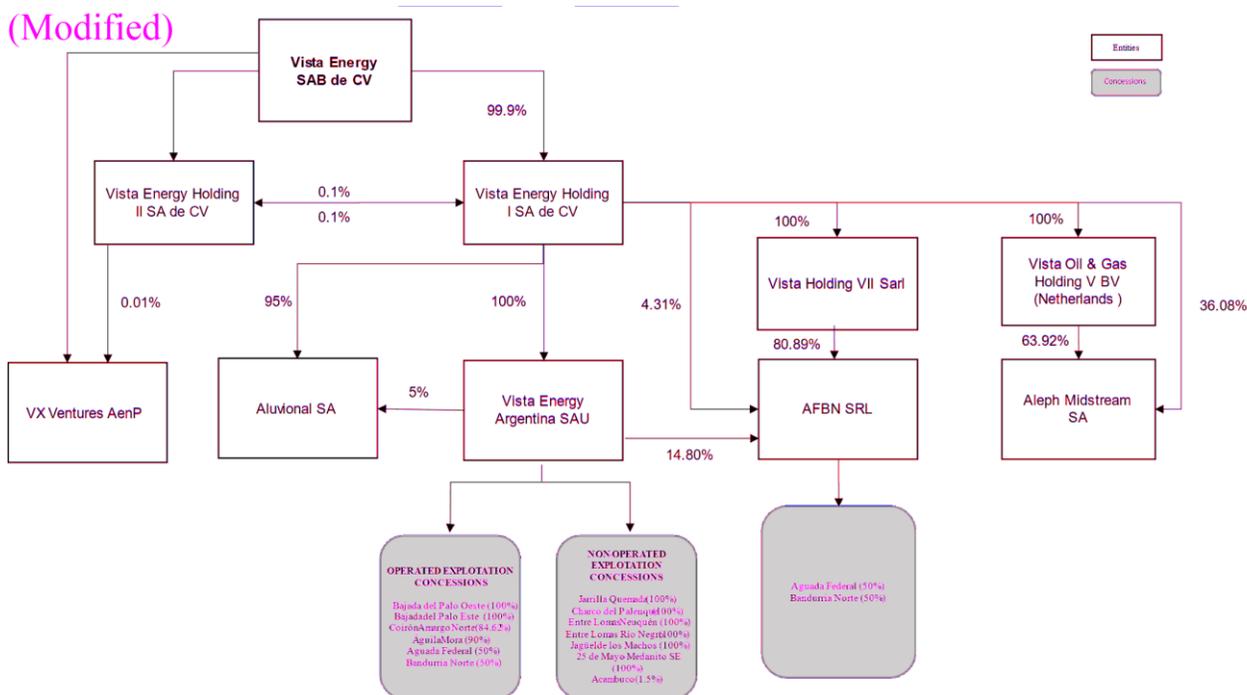
The Mexican Federal Environmental Liability Law (*Ley Federal de Responsabilidad Ambiental*) enacted on July 7, 2013 regulates environmental liability arising from damages to the environment including remediation and compensation. In the event of intentional and unlawful action or inaction, the responsible 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 12 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.

ORGANIZATIONAL STRUCTURE

The following diagram shows our main subsidiaries as of the date of this annual report:



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—Detailed 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 Overview — ESG Matters.”

ITEM 4.A 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, 2022. 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, 2022, 2021 and 2020 and the selected consolidated statement of financial position as of December 31, 2022 and 2021, 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.

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.”

	Year ended December 31, 2022	Year ended December 31, 2021	Year ended December 31, 2020
	<i>(in thousands of US\$)</i>		
Revenue from contracts with customers	1,143,820	652,187	273,938
Cost of sales			
Operating costs	(133,385)	(107,123)	(88,018)
Crude oil stock fluctuation	(500)	(905)	3,095
Depreciation, depletion and amortization	(234,862)	(191,313)	(147,674)
Royalties	(144,837)	(86,241)	(38,908)
Gross profit	630,236	266,605	2,433
Selling expenses	(59,904)	(42,748)	(24,023)
General and administrative expenses	(63,826)	(45,858)	(33,918)
Exploration expenses	(736)	(561)	(646)
Other operating income	26,698	23,285	5,573
Other operating expenses	(3,321)	(4,214)	(4,989)
Reversal (Impairment) of long-lived assets	-	14,044	(14,438)
Operating profit (loss)	529,147	210,553	(70,008)
Interest income	809	65	822
Interest expense	(28,886)	(50,660)	(47,923)
Other financial income (expense)	(67,556)	(7,194)	4,247
Financial income (expense), net	(95,633)	(57,789)	(42,854)
Profit (Loss) before income tax	433,514	152,764	(112,862)
Current income tax (expense)	(92,089)	(62,419)	(184)
Deferred income tax (expense) benefit	(71,890)	(39,695)	10,297
Income tax (expense) benefit	(163,979)	(102,114)	10,113
Profit (loss) for the year, net	269,535	50,650	(102,749)
Other comprehensive income			
<i>Other comprehensive income that shall not be reclassified to profit or (loss) in subsequent periods</i>			
(Loss) profit from actuarial remediation related to employee benefits	(4,181)	(4,513)	460
Deferred income tax benefit (expense)	1,463	2,048	(114)
Other comprehensive income that shall not be reclassified to profit or loss in subsequent years, net of taxes	(2,718)	(2,465)	346
Other comprehensive income for the year, net of income taxes	(2,718)	(2,465)	346
Total comprehensive profit (loss) for the year	266,817	48,185	(102,403)
Earnings (loss) per share			
Basic (in U.S. Dollars per share):	3.068	0.574	(1.175)
Diluted (in U.S. Dollars per share):	2.755	0.543	(1.175)
Adjusted EBITDA⁽¹⁾	764,540	380,107	95,607
Adjusted EBITDA Margin⁽²⁾	67%	58%	35%
Adjusted Net Income⁽³⁾	371,775	78,483	(115,106)
ROACE⁽⁴⁾	40%	17%	(5)%

(1) We calculate Adjusted EBITDA as (loss)/profit for the year plus income tax expense, financial results, net, depreciation, depletion and amortization, transaction costs related to business combinations, restructuring and reorganization expenses, bargain purchase on business combination and gain from asset disposals and impairment (recovery) of long-lived assets. 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.

(3) We calculate Adjusted Net Income as net income plus deferred income tax expense (benefit), plus changes in fair value of warrants, and plus impairment loss (recovery) of long-lived assets. We add back these three adjustments since they are non-cash items that do not reflect the fair net income generation of the Company.

- (4) We calculate ROACE as Adjusted EBITDA minus depreciation, depletion and amortization, divided by the sum of the average total debt and average total shareholders' equity. For purposes of this definition, total debt is comprised of current borrowings, non-current borrowings, current lease liabilities and non-current lease liabilities.

The following table sets forth the reconciliation of Adjusted EBITDA, Adjusted EBITDA Margin, Net Debt, Adjusted Net Income and ROACE:

	Year ended December 31, 2022	Year ended December 31, 2021	Year ended December 31, 2020
	<i>(in thousands of US\$)</i>		
Profit (loss) for the year, net	269,535	50,650	(102,749)
Income tax expense (benefit).....	163,979	102,114	(10,113)
Financial results, net.....	95,633	57,789	42,854
Depreciation, depletion and amortization..	234,862	191,313	147,674
Restructuring and reorganization expenses	531	2,284	4,886
Bargain purchase on business combination and gain from asset disposals.	-	(9,999)	(1,383)
Impairment (recovery) loss of long-lived assets	-	(14,044)	14,438
Adjusted EBITDA	764,540	380,107	95,607
Revenue from contracts with customers	1,143,820	652,187	273,938
Adjusted EBITDA Margin.....	67%	58%	35%

	Year ended December 31, 2022	Year ended December 31, 2021	Year ended December 31, 2020
	<i>(in thousands of US\$)</i>		
Profit / (loss) for the year, net	269,535	50,650	(102,749)
Adjustments:			
(+) Deferred Income tax	71,890	39,695	(10,297)
(+) Changes in the fair value of Warrants	30,350	2,182	(16,498)
(+) Impairment (recovery) loss of long-lived assets	0	(14,044)	14,438
Adjustments to Net Income/Loss	102,240	27,833	(12,357)
Adjusted Net Income/Loss	371,775	78,483	(115,106)

	As of December 31, 2022	As of December 31, 2021	As of December 31, 2020
	<i>(in thousands of US\$)</i>		
Current and non-current borrowings	549,332	610,973	539,786
Cash, bank balances and other short-term investments.....	244,385	315,013	202,947
Net Debt	304,947	295,960	336,839

	As of December 31, 2022	As of December 31, 2021	As of December 31, 2020
	<i>(in thousands of US\$)</i>		
Adjusted EBITDA	764,540	380,107	95,607
Depreciation, depletion and amortization	234,862	191,313	147,674
Average current and non-current borrowings	580,153	575,380	495,600
Average current and non-current lease liabilities	28,134	25,378	20,224
Average total shareholders' equity	704,660	537,193	556,421
ROACE	40%	17%	(5)%

Selected Consolidated Statement of Financial Position

	As of December 31, 2022	As of December 31, 2021
Assets		
Noncurrent assets		
Property, plant and equipment	1,606,339	1,223,982
Goodwill	28,288	28,416
Other intangible assets	6,792	3,878
Right-of-use assets	26,228	26,454
Investments in associates	6,443	2,977

Trade and other receivables	15,864	20,210
Deferred income tax assets	335	2,771
Total noncurrent assets	1,690,289	1,308,688
Current assets		
Inventories	12,899	13,961
Trade and other receivables	90,406	46,096
Cash, bank balances and other short-term investments	244,385	315,013
Total current assets	347,690	375,070
Total assets	2,037,979	1,683,758
Equity and liabilities		
Equity		
Capital stock	517,873	586,706
Other equity instruments	32,144	-
Legal reserve	2,603	-
Share-based payments	40,744	31,601
Share repurchase reserve	49,465	-
Other accumulated comprehensive income (losses)	(8,694)	(5,976)
Accumulated profit (losses)	209,925	(47,072)
Total equity	844,060	565,259
Liabilities		
Noncurrent liabilities		
Deferred income tax liabilities	243,411	175,420
Lease liabilities	20,644	19,408
Provisions	31,668	29,657
Borrowings	477,601	447,751
Warrants	-	2,544
Employee benefits	12,251	7,822
Trade and other payables	-	50,159
Total noncurrent liabilities	785,575	732,761
Current liabilities		
Provisions	2,848	2,880
Lease liabilities	8,550	7,666
Borrowings	71,731	163,222
Salaries and payroll taxes	25,120	17,491
Income tax liability	58,770	44,625
Other taxes and royalties	20,312	11,372
Trade and other payables	221,013	138,482
Total current liabilities	408,344	385,738
Total liabilities	1,193,919	1,118,499
Total equity and liabilities	2,037,979	1,683,758
Dividends and Shares		
Number of shares	88,406,480	88,629,879
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, 2022, oil sales contributed 93.4% of our total revenues, natural gas sales contributed 6.1% of our total revenues and NGL sales contributed 0.5% of our total revenues. During the year ended December 31, 2021, oil sales contributed 90.9% of our total revenues, natural gas sales contributed 8.3% of our total revenues and NGL sales contributed 0.7% of our total revenues. During the year ended December 31, 2020, oil sales contributed 86.4% of our total revenues, natural gas sales contributed 12.3% of our total revenues and NGL sales contributed 1.4% of our total revenues. During 2022 and 2021, most of our revenues were generated in Argentina. In 2020, 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. For the year ended December 31, 2022, the historical production volumes and other relevant operating data included below was calculated at their respective working interest percentages, including 100% working interest in 25 de Mayo-Medanito, Jagüel de los Machos, Entre Lomas, Agua Amarga, Aguada Federal, Bandurria Norte, Bajada del Palo Oeste, Bajada del Palo Este and CS-01 concessions, 84.62% in Coirón Amargo Norte, 1.5% in Acambuco, and 90% in Águila Mora. 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.

	Year ended December 31 2022	Year ended December 31 2021	Year ended December 31 2020
Net production volumes⁽¹⁾:			
Oil (MMbbl).....	14.6	11.1	6.7
Natural Gas (Bn cf).....	16.5	16.4	15.8
NGL (MMboe).....	0.2	0.2	0.2
Total (MMboe).....	17.7	14.2	9.7
Average daily net production (boe/d).....	48,560	38,845	26,594
Average realized sales price:			
Oil (US\$/bbl).....	72.3	54.9	37.2
Natural Gas (US\$/MMBtu).....	4.0	3.2	2.0
NGL (US\$/tn).....	377	312	205
Average realized sales price (US\$/boe).....	63.7	46.0	28.1
Average unit costs (US\$/boe)⁽²⁾:			
Operating expenses.....	7.5	7.6	9.0
Royalties ⁽³⁾	8.2	6.1	4.0
Depreciation, depletion and amortization.....	13.3	13.5	15.2
Other data (in thousands of US\$)			
Operating expenses.....	133,385	107,123	88,018
Royalties ⁽³⁾	144,837	86,241	38,908
Depreciation, depletion and amortization.....	234,862	191,313	147,674

- (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) 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 (366 days for 2020, 365 days for 2021 and 365 days for 2022).
- (3) 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 2022:

2022

	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⁾	88.6	97.7	112.0	97.9
Average Medanito Crude Oil Price (US\$per bbl) ⁽²⁾⁽³⁾	68.3	69.8	68.9	61.4
Average Natural Gas Price (US\$per MMBtu) ⁽³⁾	2.77	3.55	3.32	2.65
Net production volumes:				
Oil (MMbbl).....	4.2	3.9	3.4	3.2
Natural Gas (Bnecf).....	4.40	4.29	3.83	3.95
NGL (MMboe).....	0.04	0.04	0.04	0.04
Total (Mboe).....	5.0	4.7	4.1	4.0
Average realized sales price:				
Oil (US\$/bbl).....	68.9	76.6	78.4	64.1
Natural Gas (US\$/MMBtu).....	4.5	4.4	3.9	3.0
NGL (US\$/tn).....	354	380	414	367
Lifting Cost (US\$/boe).....	7.2	7.5	7.8	7.8
Number of conventional wells drilled.....	-	2	-	-
Number of shale wells drilled.....	8	9	5	7
Revenue from contracts with customers.....	308,105	333,573	294,293	207,920

(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\$/ARS exchange rate according to Communication “A” 3500 of the BCRA.

Factors Affecting our Results of Operations

Our operations are affected by a number of factors, including:

- (i) the volume of crude oil, natural gas and liquid gas we produce and sell;
- (ii) the effects of the COVID-19 outbreak, and the measures adopted by the countries in which we operate as a result of the pandemic;
- (iii) pricing regulation, mainly related to gas;
- (iv) export administration by the Argentine and Mexican governments and domestic supply requirements;
- (v) international and domestic prices of crude oil and oil products;
- (vi) discount of our oil production to market prices;
- (vii) our capital expenditures and financing availability;
- (viii) cost increases;
- (ix) market demand for hydrocarbon products;
- (x) operational risks, labor strikes and other forms of public protest;
- (xi) taxes, including export taxes;
- (xii) regulation of capital flows;
- (xiii) exchange rates;
- (xiv) interest rates; and
- (xv) 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 on 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:

	2022	2021	2020	2019	2018	2017
Real GDP (% change) ⁽³⁾	5.2 ⁽¹⁾	10.4 ⁽¹⁾	(9.9) ⁽²⁾	(2.0) ⁽²⁾	2.6	(2.1)
Nominal GDP (in millions of AR\$) ⁽³⁾	82,650,240 ⁽¹⁾	46,282,066 ⁽¹⁾	27,481,440 ⁽²⁾	21,802,256 ⁽²⁾	14,744,811	10,660,228
Consumer Price Index (CPI) variation (in %)	94.8	50.9	36.1	53.8	47.6	24.8
Nominal Exchange Rate (in AR\$/US\$ at period end)	177.1	102.8	84.1	59.9	37.8	18.8

(1) Preliminary data.

(2) Provisional data.

(3) Source: INDEC. Preliminary and provisional data are shown as stated by INDEC.

For more information on these macroeconomic and political conditions, see “Item 3—Key Information—Risk Factors—Detailed Risk Factors—Risks Related to the Argentine and Mexican Economic 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 (According to Communication “A” 3500 of the BCRA). See “Item 10—Additional Information—Exchange Controls.”

	Average ⁽¹⁾	End of Period
Year Ended December 31, 2017	16.6	18.8
Year Ended December 31, 2018	28.1	37.8
Year Ended December 31, 2019	49.5	59.9
Year Ended December 31, 2020	70.6	84.1
Year Ended December 31, 2021	95.2	102.8
Year Ended December 31, 2022	130.6	177.1
Month Ended September 31, 2022.....	143.6	147.3
Month Ended October 31, 2022.....	152.6	156.9
Month Ended November 30, 2022.....	162.1	167.2
Month Ended December 31, 2022	172.9	177.1
Month Ended January 31, 2023	182.2	186.8
Month Ended February 28, 2023	191.9	197.2
Month Ended March 31, 2023	203.1	209.0

(1) Yearly data reflect average of month-end rates. Monthly data reflect average of day-end rates.

Sources: Data in accordance with foreign exchange rate set forth in Communication “A” 3,500 issued by the BCRA.

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, 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
Year Ended December 31, 2021	20.3	20.6
Year Ended December 31, 2022	20.1	19.4
Month Ended September 31, 2022.....	20.1	20.3
Month Ended October 31, 2022.....	20.0	19.8
Month Ended November 30, 2022.....	19.5	19.3
Month Ended December 31, 2022	19.6	19.4
Month Ended January 31, 2023	19.0	18.8
Month Ended February 28, 2023	18.6	18.4
Month Ended March 31, 2023	18.4	18.1

(1) Reflects average of day-end rates.

Sources: Banco de México

Most 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.”

The value of the peso compared to other currencies depends, among other factors, on the level of international reserves held by the BCRA, 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 continuous devaluation of the peso, which in turn had a direct impact on our financial and economic position. See “Item 3—Key Information—Risk Factors—Detailed Risk Factors—Risks Related to our Company—We are exposed to foreign exchange risks relating to our operations in Argentina and Mexico.”

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—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, seasonality does not play a significant role in our ability to conduct our operations, including drilling and completion activities as planned in our budgets. For example, seasonal demand behavior during winter and autumn affects the prices that we receive for our production. However, the impact of such seasonality has historically not been material.

Warrants

Under IFRS, a contract to issue a variable number of common shares, such as 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. On March 2, 2023, Vista concluded the process with the CNBV to update the registration of Vista’s warrants in the RNV. 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. On March 15, 2023, Vista exercised all outstanding warrants on a cashless basis resulting in the early termination of all outstanding warrants. Holders of the warrants received one series A share for every 31 warrants owned by each holder. Holders only received whole series A shares (not fractions). In addition, holders of warrants received a payment in Pesos for any fractions held by them. As of the date of this annual report, there are no outstanding warrants.

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, the Solidarity Law 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. Through Law No. 27,630, the income tax rate applicable to Argentine companies is again modified, establishing a progressive tax rate system with a rate of 25% to 35% based on the accumulated net taxable income and a 7% withholding applicable to any distribution of dividends or profits made by such entities to individuals’ resident in Argentina and to beneficiaries abroad, regardless of the tax period in which such dividends or profits are made available to the shareholders. These amendments are applicable to tax periods beginning on or 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.

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 items, 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. In 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/bbl (or 24.1%) to US\$34.4/bbl 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. During the second half of 2020, Brent traded at an average price of US\$44.3/bbl, resulting in an average price during 2020 of US\$43.2/bbl.

During 2021, global economic recovery boosted the demand for crude oil. Oil demand increased to 99.4 MMBbl/d in 2022 from 97.1 in 2021, a 2% increase year-over-year. In addition, the countries grouped under OPEC agreed on production quotas to unwind the above-mentioned curtailment of 9.7 MMBbl/d. The average Brent oil price in 2021 was US\$71.0/bbl. This trend continued into 2022, and global oil prices were back to pre-pandemic levels by early 2022. During the first quarter of 2022, Brent prices increased driven by the ongoing conflict involving Russia and Ukraine, which resulted in sanctions from several countries (including the U.S. and European Union countries) to Russia, leading to concerns regarding global energy supply as Russia was the third largest oil producer and largest oil exporter. This led to a peak in Brent prices of US\$128.0/bbl on March 8, 2022. On March 31, 2022, the U.S. government announced a release of one MMBbl/d over the next six months from its Strategic Petroleum Reserve resulting in a decrease of Brent prices. Overall, Brent oil prices increased from US\$77.8/bbl on December 31, 2021, to US\$85.9/bbl on December 31, 2022, with an average of US\$99.0/bbl for the year 2022, a 39% increase year-over-year.

In the first quarter of 2023, Brent prices receded driven by concerns over global economic growth and its impact on oil demand. Prices softened further as a result of the financial crisis that impacted Silicon Valley Bank, Credit Suisse, and Signature Bank, among other institutions. The average Brent oil price in the first quarter of 2023 was US\$79.2/bbl.

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.

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 SdE, 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:

	2022				2021	2020	2019	2018	2017	2016
	Q4	Q3	Q2	Q1						
Average Brent Oil Price (per bbl) ⁽¹⁾	88.6	97.7	112.0	97.9	71.0	43.2	43.2	71.69	54.74	45.13
Average 25 de Mayo-Medanito Crude Oil Price (per bbl) ⁽²⁾	68.3	69.8	68.9	61.4	53.1	40.64	54.0	64.98	56.52	63.40
Average Natural Gas Price (per MMBtu) ⁽³⁾	2.77	3.55	3.32	2.65	2.89	2.29	3.35	4.42	3.76	3.21

(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

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. To mitigate the impact of the COVID-19 pandemic, the Argentine and Mexican governments, have over time implemented different measures involving mandatory social restrictions on mobility and closures of non-essential businesses. Some of the consequences generated by these measures were (i) a material adverse impact on financial markets, (ii) a reduction in the demand for hydrocarbon products and, therefore, in our revenues, (iii) a significant drop in the international price of oil and increased price volatility and (iv) the deepening of Argentina’s economic recession.

During 2020, our operations in Argentina and Mexico were substantially impacted by COVID-19, given the sharp contraction in crude oil and natural gas demand and the strong decrease in oil and gas prices. This had a significant impact on our total hydrocarbons production and financial performance. 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 assembled people in small teams working in the field with minimal or no interaction with other cells. We coordinated weekly emergency drills to prepare employees and contractors to better manage symptoms compatible with COVID-19. Entrance controls, temperature tests, medical surveys were 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 light of the easement of lock-down restrictions in Argentina and Mexico and the recovery in hydrocarbons demand and prices.

During 2021, the demand for, and price of, crude oil and crude oil by-products surpassed pre-COVID-19 levels and most economies, including Argentina and Mexico, experienced GDP growth as mobility and closure

restrictions were substantially eased towards the end of the year (mainly due to vaccination coverage). Having restarted drilling and completion activity in Q3 2020, we tied in 20 new wells in Bajada del Palo Oeste in 2021. This boosted our total production to 38.8 Mboe/d in 2021, an increase of 46% compared to 2020. Additionally, due to the recovery in oil and gas prices, our profit for the year, net was US\$50.7 million, compared to a loss for the year, net of US\$102.7 million in 2020, and our Adjusted EBITDA was US\$380.1 million, an increase of 298% compared to 2020.

During 2021 we adapted the BCP, as the progress in vaccination provided coverage to our staff and the general population in Argentina and Mexico. We temporarily reverted to isolated cells for essential field operations during the peaks of the COVID-19 variants and carried out frequent antigen tests for rapid detection of positive cases. Since April 2021 we implemented a hybrid work scheme for office staff, with two separate cells at each location, to limit office attendance to 50% of the total capacity in our premises. This protocol allowed us to reconnect teams in live meetings, whilst minimizing risks at the office. The hybrid scheme was temporarily switched to 100% home-office as contagion rates increased during the propagation of the Omicron variant. The BCP was deactivated at the end of 2021.

During 2022, the demand and price of crude oil and its derivatives continued to increase. For example, in 2022, 28 new wells in Vaca Muerta, which brought our total production to 48.6 Mboe/d in 2022, a 25% increase over 2021. In addition, due to increased production and recovering oil and gas prices, our our profit for the year, net was US\$269.5 million, compared to US\$50.7 million in 2021 and adjusted EBITDA was US\$764.5 million, an increase of 101% compared to 2021.

Results of Operations

The following discussion relates to certain financial and operating data for the years indicated. You should read this discussion in conjunction with our Audited Financial Statements and the accompanying notes thereto. We measure our performance by our Profit (loss) for the year, net 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, 2022 compared to year ended December 31, 2021

	Year ended December 31, 2022		Year ended December 31, 2021	
	(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	1,143,820	100%	652,187	100%
Cost of sales	(513,584)	(45)%	(385,582)	(59)%
Gross profit	630,236	55%	266,605	41%
Selling expenses	(59,904)	(5)%	(42,748)	(7)%
General and administrative expenses	(63,826)	(6)%	(45,858)	(7)%
Exploration expenses	(736)	(0)%	(561)	(0)%
Other operating income	26,698	2%	23,285	4 %
Other operating expenses	(3,321)	(0)%	(4,214)	(1)%
Reversal (Impairment) of long- lived assets	0	0%	14,044	2%
Operating profit	529,147	46%	210,553	32%
Interest income	809	0%	65	0 %
Interest expense	(28,886)	(3)%	(50,660)	(8)%
Other financial income (expense)	(67,556)	(6)%	(7,194)	(1)%
Financial income (expense), net	(95,633)	(8)%	(57,789)	(9)%
Profit before income tax	433,514	38%	152,764	23%
Current income tax (expense)	(92,089)	(8)%	(62,419)	(10)%
Deferred income tax (expense)	(71,890)	(6)%	(39,695)	(6)%
Income tax (expense)	(163,979)	(14)%	(102,114)	(16)%
Profit for the year	269,535	24%	50,650	8%
Other comprehensive income				
<i>Other comprehensive income that shall not be reclassified to profit or (loss) in subsequent periods</i>				
(Loss) profit from actuarial remediation related to employee benefits	(4,181)	(0)%	(4,513)	(1)%
Deferred income tax benefit (expense)	1,463	0%	2,048	0%
Other comprehensive income that shall not be reclassified to profit or loss in subsequent years, net of taxes	(2,718)	(0)%	(2,465)	(0)%
Other comprehensive income for the year, net of income taxes	(2,718)	(0)%	(2,465)	(0)%
Total comprehensive profit for the year	266,817	23%	48,185	7 %
Earnings per share				
Basic (In US Dollars per share):	3.068	N/A	0.574	N/A
Diluted (In US Dollars per share):	2.755	N/A	0.543	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, 2022	For the year ended December 31, 2021
Revenues from crude oil sales.....	1,067,997	593,060
Revenues from natural gas sales.....	70,237	54,301
Revenues from NGL sales.....	5,586	4,826
Revenue from contracts with customers.....	1,143,820	652,187

Total revenue from contracts with customers increased to US\$1,143.8 million during the year ended December 31, 2022, compared to US\$625.2 million during the year ended December 31, 2021. Such increase was primarily driven by higher realized prices and higher production.

Revenues from crude oil increased to US\$1,068.0 million during the year ended December 31, 2022, compared to US\$593.1 million during the year ended December 31, 2021, which represented 93% and 91% of our total revenue from contracts with customers, respectively. Such increase was primarily driven by an increase in realized crude oil price of 37% and an increase in production of 25 % year over year.

Total volume of crude oil sold increased to 14,764 Mbbl during the year ended December 31, 2022, compared to 10,777 Mbbl during the year ended December 31, 2021, as a result of a year during which we tied-in 28 shale wells, increasing the total number of shale wells on production to 68 at year-end.

Average realized crude oil sales prices increased to US\$72.3/bbl during the year ended December 31, 2022, compared to US\$54.9/bbl during the year ended December 31, 2021, an increase that was mainly driven by a higher Brent price, which increased 39% during 2022 compared to 2021, on average.

In 2022, 6,567 Mbbl of crude oil, or 44% of total crude oil volumes, were sold to export markets for a total revenue of US\$559.6 million. In 2021, 3,054 Mbbl of crude oil, or 28% of total crude oil volumes, were sold to export markets for a total revenue of US\$182.2 million.

Revenues from natural gas increased to US\$70.2 million during the year ended December 31, 2022, compared to US\$54.3 million during the year ended December 31, 2021, which represented 6% and 8% of our total revenue from contracts with customers, respectively. Such increase was primarily driven by an increase in the realized natural gas price, which increased 25% during 2022 compared to 2021.

Total volume of natural gas sold increased to 3,012 Mboe during the year ended December 31, 2022, compared to 2,911 Mboe during the year ended December 31, 2021. This increase was primarily driven by higher gas production.

The average realized natural gas sales prices was US\$4.0/MMBtu during the year ended December 31, 2022, a 25% increase compared to US\$3.2/MMBtu during the year ended December 31, 2020. Such increase was mainly driven by sales to industrial customers at US\$3.7/MMBtu and exports to Chile at US\$8.0/MMBtu.

Revenues from NGL increased to US\$5.6 million during the year ended December 31, 2022, compared to US\$4.8 million during the year ended December 31, 2021, which represented 1% of our total revenue from contracts with customers.

During the year ended December 31, 2022, 99% of our revenue was generated by our oil and gas properties in Argentina, as well as during the year ended December 31, 2021.

Cost of Sales

	For the year ended December 31, 2022	For the year ended December 31, 2021
	<i>(in thousands of US\$)</i>	
Operation costs	(133,385)	(107,123)
Crude oil stock fluctuation	(500)	(905)
Depreciation, depletion and amortization	(234,862)	(191,313)
Royalties.....	(144,837)	(86,241)
Cost of sales.....	513,584	(385,582)

Cost of sales increased to US\$513.6 million during the year ended December 31, 2022, compared to US\$385.6 million during the year ended December 31, 2021. Total cost of sales included operating expenses, fluctuations in the inventory of crude oil, depreciation, depletion and amortization and royalties. This increase was primarily driven by the increase in total production.

Operating expenses increased to US\$133.4 million during the year ended December 31, 2022, compared to US\$107.1 million during the year ended December 31, 2021, which represented 26% and 28% of our total cost of sales, respectively. This increase was primarily driven by a 25% increase in total production year over year.

Operating expenses per produced barrel decreased to 7.5 US\$/boe during the year ended December 31, 2022, from 7.6 US\$/boe during the year ended December 31, 2021. This decrease was mainly driven by the fact that incremental production at Vaca Muerta has a lower marginal cost, and therefore dilutes the Company's cost base.

The fluctuation in crude oil inventories decreased to \$0.5 million during the year ended December 31, 2022, compared to \$0.9 million during the year ended December 31, 2021. This was primarily due to the decrease in crude oil stock at the end of the period due to higher sales volumes during the period.

Depreciation, depletion and amortization increased to US\$234.9 million during the year ended December 31, 2022, compared to US\$191.3 million during the year ended December 31, 2021, which represented 46% and 50% of our total cost of sales, respectively. This increase was primarily driven by higher capital expenditures and total production in 2022 compared to 2021.

Royalties increased to US\$144.8 million during the year ended December 31, 2022, compared to US\$86.2 million during the year ended December 31, 2021, which represented 28% and 22% of our total cost of sales, respectively. This increase was primarily driven by the abovementioned increase in total production, realized oil price and realized natural gas price.

Gross Profit

Gross profit increased to US\$630.2 million during the year ended December 31, 2022, compared to US\$266.6 million, which represented 55% and 41% of our total revenue from contracts with customers, respectively.

Selling Expenses

Selling expenses increased to US\$59.9 million during the year ended December 31, 2022, compared to US\$42.7 million during the year ended December 31, 2021, which represented 5% and 7% of our total revenue from contracts with customers, respectively. This increase was primarily driven by an increase of 47% in Transport, 19% in Taxes, rates and contributions 58% in Tax on bank account transactions, in all cases during 2022 compared to 2021.

General and Administrative Expenses

General and administrative expenses increased to US\$63.8 million during the year ended December 31, 2022, compared to US\$45.9 million during the year ended December 31, 2021, which represented 6% and 7% of our total revenue from contracts with customers, respectively. This increase was primarily driven by an increase in

Salaries and payroll taxes of 34%, Share-based payments of 56% and Fees and compensation for services of 33%, in all cases during 2022 compared to 2021.

Exploration Expenses

Exploration expenses increased to US\$0.7 million during the year ended December 31, 2022, compared to US\$0.5 million during the year ended December 31, 2021, as a result of driven by geological studies.

Other Operating Income

Other operating income increased to US\$26.7 million during the year ended December 31, 2022, compared to US\$23.3 million during the year ended December 31, 2021. This increase was mainly due to a 101% increase in the Gain on the farm out agreement with Trafigura and a 100% increase in other services charges, in both cases during 2022 compared to 2021. These were partially compensated by no Gain from assets disposal during 2022 compared to US\$9,999 in 2021.

Other Operating Expenses

Other operating expenses decreased to US\$3.3 million during the year ended December 31, 2022 compared to US\$4.2 million during the year ended December 31, 2021. This decrease was primarily due to a 77% reduction in restructuring and reorganization costs and a 42% reduction in the provision for contingencies, both during 2022 compared to 2021. This was partially offset by a 107% increase in the provision for environmental measures in 2022 compared to 2021.

Operating Profit

Operating profit increased to of US\$529.1 million during the year ended December 31, 2022, compared to US\$210.6 million during the year ended December 31, 2021, which represented 46% and 32% of our total revenue from contracts with customers, respectively.

Interest Income

Interest income increased to US\$0.8 million during the year ended December 31, 2022, compared to US\$0.1 million during the year ended December 31, 2021.

Interest Expense

As of December 31, 2022, the interest expense decreased to US\$28.9 million from US\$50.7 million for the year ended December 31, 2021. This decrease was primarily due to a reduction in outstanding debt and new issuances at a lower interest rate.

Other Financial Results

Other financial results totaled a loss of US\$67.6 million for the year ended December 31, 2022 compared to a loss of US\$7.2 million for the year ended December 31, 2021. This change was primarily due to a 1,291% increase in changes in the fair value of warrants and a 176% increase in revaluations of loans originated by financial liabilities incurred in Argentina adjusted by the reference stabilization ratio (“UVA” for its acronym in Spanish).

Profit Before Income Taxes

Profit before income taxes totaled a loss of US\$433.5 million during the year ended December 31, 2022, compared to a gain of US\$152.8 million during the year ended December 31, 2021.

Income Tax expense

Our income tax expenses totaled a loss of US\$164.0 million during the year ended December 31, 2022, compared to a loss of US\$102.1 million during the year ended December 31, 2021. This change was primarily driven by a net effect of (i) an increase in current income tax expenses from US\$62.4 million to US\$92.1 million compared to the year ended December 31, 2021, which was mainly driven by the higher pre-tax income from Vista Argentina, our main subsidiary, and (ii) an increase in deferred income tax expense of US\$71.9 million in 2022, compared to US\$39.7 million in 2021, mainly driven by the deferred tax inflation adjustment from our main subsidiary Vista Argentina.

Profit for the year, net

During the year ended December 31, 2022, the profit for the year, net totaled US\$269.5 million, compared to US\$50.7 million during year ended December 31, 2021.

Year ended December 31, 2021 compared to year ended December 31, 2020

	For the year ended December 31, 2021		For the year ended December 31, 2020	
	(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	652,187	100%	273,938	100%
Cost of sales	(385,582)	(59)%	(271,505)	(99)%
Gross profit	266,605	41%	2,433	1%
Selling expenses	(42,748)	(7)%	(24,023)	(9)%
General and administrative expenses	(45,858)	(7)%	(33,918)	(12)%
Exploration expenses	(561)	(0)%	(646)	(0)%
Other operating income	23,285	4 %	5,573	2%
Other operating expenses	(4,214)	(1)%	(4,989)	(2)%
Impairment of long-lived assets	14,044	2%	(14,438)	(5)%
Operating profit	210,553	32%	(70,008)	(26)%
Interest income	65	0 %	822	0%
Interest expense	(50,660)	(8)%	(47,923)	(17)%
Other financial results	(7,194)	(1)%	4,247	2%
Financial results, net	(57,789)	(9)%	(42,854)	(16)%
(Loss) before income tax	152,764	23%	(112,862)	(41)%
Current income tax (expense)	(62,419)	(10)%	(184)	(0)%
Deferred income tax (expense) / benefit	(39,695)	(6)%	10,297	4%
Income tax benefit / (expense)	(102,114)	(16)%	10,113	4%
Net loss for the year	50,650	8%	(102,749)	(38)%
Other comprehensive income				
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods</i>				
Remeasurements profit / (loss) related to defined benefits plans	(4,513)	(1)%	460	0%
Deferred income tax (expense) / benefit	2,048	0%	(114)	(0)%
Other comprehensive income (loss) that will not be reclassified to profit or loss in subsequent periods	(2,465)	(0)%	346	0%
Other comprehensive income (loss) for the year, net of tax	(2,465)	(0)%	346	0%
Total comprehensive (loss) for the year	48,185	7 %	(102,403)	(37)%
Loss per share attributable to equity holders of the parent				
Basic and Diluted (In U.S. Dollars per share):	0.574	N/A	(1.175)	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, 2021	For the year ended December 31, 2020
Revenues from crude oil	593,060	236,596
Revenues from natural gas.....	54,301	33,575
Revenues from NGL.....	4,826	3,767
Revenues from contracts with customers.....	652,187	273,938

Total revenue from contracts with customers increased to US\$652.2 million during the year ended December 31, 2021, compared to US\$273.9 during the year ended December 31, 2020. Such increase was primarily driven by higher realized prices and higher production.

Revenues from crude oil increased to US\$593.1 million during the year ended December 31, 2021, compared to US\$236.6 million during the year ended December 31, 2020, which represented 91% and 86% of our total revenue from contracts with customers, respectively. Such increase was primarily driven by an increase in realized crude oil price of 48% and an increase in production of 46 % year over year.

Total volume of crude oil sold increased to 10,777 Mbbl during the year ended December 31, 2021, compared to 6,367 Mbbl during the year ended December 31, 2020, as a result of a year during which we tied-in 20 shale wells, increasing the total number of shale wells on production to 40 at year-end.

Average realized crude oil sales prices increased to US\$54.9/bbl during the year ended December 31, 2021, compared to US\$37.2/bbl during the year ended December 31, 2020, an increase that was mainly driven by a higher Brent price, which increased 64% during 2021 compared to 2020.

In 2021, 3,054 Mbbl of crude oil, or 28% of total crude oil volumes, were sold to export markets for a total revenue of US\$182.2 million. In 2020, 2,791 Mbbl of crude oil, or 44% of total crude oil volumes, were sold to export markets for a total revenue of US\$94.9 million.

Revenues from natural gas increased to US\$54.3 million during the year ended December 31, 2021, compared to US\$33.6 during the year ended December 31, 2020, which represented 8% and 12% of our total revenue from contracts with customers, respectively. Such increase was primarily driven by an increase in the realized natural gas price, which increased 56% during 2021 compared to 2020.

Total volume of natural gas sold increased to 2,911 Mboe during the year ended December 31, 2021, compared to 2,735 Mboe during the year ended December 31, 2020. This increase was primarily driven by higher gas production.

The average realized natural gas sales prices increased to US\$3.2/MMBtu during the year ended December 31, 2021, an increase of 58% compared to US\$2.03/MMBtu during the year ended December 31, 2020. Such increase was mainly driven by higher prices to industrial customers and the Gas Plan winter price of 4.1 \$/MMBtu and summer price of 2.7 \$/MMBtu.

Revenues from NGL increased to US\$4.8 million during the year ended December 31, 2021, compared to US\$3.8 million during the year ended December 31, 2020, which represented 1% of our total revenue from contracts with customers.

During the year ended December 31, 2021, 99% of our revenue was generated by our oil and gas properties in Argentina, as well as during the year ended December 31, 2020.

Cost of Sales

	For the year ended December 31, 2021	For the year ended December 31, 2020
	<i>(in thousands of US\$)</i>	
Operation costs	(107,123)	(88,018)
Crude oil stock fluctuation	(905)	3,095
Depreciation, depletion and amortization	(191,313)	(147,674)
Royalties.....	(86,241)	(38,908)
Cost of sales.....	(385,582)	(271,505)

Cost of sales increased to US\$385.6 million during the year ended December 31, 2021, compared to US\$271.5 million during the year ended December 31, 2020. 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 the increase in total production.

Operating expenses increased to US\$107.1 million during the year ended December 31, 2021, compared to US\$88.0 million during the year ended December 31, 2020, which represented 28% and 32% of our total cost of sales, respectively. This increase was primarily driven by a 46% increase in total production year over year.

Operating expenses per produced barrel decreased to 7.6 US\$/boe during the year ended December 31, 2021, from 9.0 US\$/boe during the year ended December 31, 2020. This decrease was mainly driven by the fact that incremental production at Bajada del Palo Oeste has a lower marginal cost, and therefore dilutes the Company's cost base.

Depreciation, depletion and amortization increased to US\$191.3 million during the year ended December 31, 2021, compared to US\$147.7 million during the year ended December 31, 2020, which represented 50% and 54% of our total cost of sales, respectively. This increase was primarily driven by higher capital expenditures and total production in 2021 compared to 2020.

Royalties increased to US\$86.2 million during the year ended December 31, 2021, compared to US\$38.9 million during the year ended December 31, 2020, which represented 22% and 14% of our total cost of sales, respectively. This increase was primarily driven by the abovementioned increase in total production, realized oil price and realized natural gas price.

The fluctuation in crude oil inventories changed from an income to an expense of \$0.9 million during the year ended December 31, 2021, compared to an income of \$3.1 million during the year ended December 31, 2020. This was primarily due to the decrease in crude oil stock at the end of the period due to higher sales volumes during the period.

Gross Profit

Gross profit increased to US\$266.6 million during the year ended December 31, 2021, compared to US\$2.4 million, which represented 41% and 1% of our total revenue from contracts with customers, respectively.

Selling Expenses

Selling expenses increased to US\$42.7 million during the year ended December 31, 2021, compared to US\$24.0 million during the year ended December 31, 2020, which represented 7% and 9% of our total revenue from contracts with customers, respectively. This increase was primarily driven by an increase of 131% in taxes, rates and contributions, 100% in tax on bank transactions and 88% in transport. Such variations were partially offset by a decrease of 39% in fees and compensation for services, in all cases during 2021 compared to 2020.

General and Administrative Expenses

General and administrative expenses increased to US\$45.9 million during the year ended December 31, 2021, compared to US\$33.9 million during the year ended December 31, 2020, which represented 7% and 12% of our total revenue from contracts with customers, respectively. This increase was primarily driven by an increase in salaries and social security charges of 59%, employees benefit of 65% and institutional promotion and advertising of 84%, in all cases during 2021 compared to 2020.

Exploration Expenses

Exploration expenses decreased to US\$0.5 million during the year ended December 31, 2021, compared to US\$0.6 million during the year ended December 31, 2020, as a result of a decrease in activity levels.

Other Operating Income

Other operating income increased to US\$23.3 million during the year ended December 31, 2021, compared to US\$5.6 million during the year ended December 31, 2020. This increase was mainly due to the gain on the disposal of assets through the transfer of our working interest in the CASO area for US\$9.8 million, as well as the gain on the farm out agreement with Trafigura for US\$9.0 million.

Other Operating Expenses

Other operating expenses decreased to US\$4.2 million during the year ended December 31, 2021, compared to US\$5.0 million during the year ended December 31, 2020. This decrease was primarily driven by a reduction in restructuring and reorganization costs related to the changes in the group's structure.

Operating Profit

Operating profit increased to of US\$210.6 million during the year ended December 31, 2021, compared to a loss of US\$70.0 million during the year ended December 31, 2020, which represented 32% and (26)% of our total revenue from contracts with customers, respectively.

Interest Income

Interest income decreased to US\$0.1 million during the year ended December 31, 2021, compared to US\$0.8 million during the year ended December 31, 2020. This decrease was primarily driven by a reduction on investment recognized at amortized cost.

Interest Expense

Interest expense increased to US\$50.7 million during the year ended December 31, 2021, compared to US\$47.9 during the year ended December 31, 2020. This increase was primarily driven by higher average gross debt during 2021 compared to 2020.

Other Financial Results

Other financial results totaled a loss of US\$7.2 million during the year ended December 31, 2021, compared to a gain of US\$4.2 million during the year ended December 31, 2020. This change was primarily due to changes in the fair value of warrants in 2021, mainly driven by an increase in the Company's share price in 2021, increased remeasurements of loans originated by financial liabilities incurred in Argentina adjusted by the benchmark stabilization ratio ("UVA" for its acronym in Spanish). However, these effects were partially offset by an increase in income resulting from net foreign exchange rate changes during 2021 compared to 2020.

Profit Before Income Taxes

Profit before income taxes totaled a gain of US\$152.8 million during the year ended December 31, 2021, compared to a loss of US\$112.9 million during the year ended December 31, 2020.

Income Tax expense

Our income tax expenses totaled a loss of US\$102.1 million during the year ended December 31, 2021, compared to a gain of US\$10.1 million during the year ended December 31, 2020. This change was primarily driven by (i) an increase in current income tax expenses from US\$0.2 to US\$62.4 million compared to the year ended December 31, 2021, which was mainly driven by the higher pre-tax income from Vista Argentina, our main subsidiary, during 2021 and (ii) a deferred income tax expense during 2021 of US\$39.7 as compared to an income of US\$10.3 in 2020. Such variance was mainly driven by the application of NOLs from our main subsidiary Vista Argentina during 2021.

Profit (loss) for the year, net

During the year ended December 31, 2021, the profit for the year, net totaled US\$50.7 million during the year ended December 31, 2021, compared to US\$102.7 million during year ended December 31, 2020.

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 on 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.

As of the date of this annual report, there are no outstanding warrants as a result of the automatic exercise of all outstanding warrants 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 Executive Team 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 were identical to and fungible with the Warrants. As of the date of this annual report, there are no outstanding Sponsor Warrants as a result of the automatic exercise of all outstanding warrants on a cashless basis. 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). As of the date of this annual report, there

are no outstanding FPA Warrants as a result of the automatic exercise of all outstanding warrants on a cashless basis. See “Item 10—Additional Information—Memorandum and Articles of Association—Warrants.”

Further, on September 12, 2018, we entered into a subscription agreement with Kensington, RVCP’s sole limited partner, for the subscription of the FPA Shares and the FPA Warrants that could be purchased 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 were subject to the same terms as the Sponsor Warrants. As of the date of this annual report, there are no outstanding FPA Warrants as a result of the automatic exercise of all outstanding warrants on a cashless basis. See “Item 10—Additional Information—Memorandum and Articles of Association—Warrants.”

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.

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.

As of the date of this annual report, 3,215,454 Shares became outstanding as the Warrants in their original terms have been exercised in full. See “Item 10—Additional Information—Memorandum and Articles of Association—Warrants.”

We believe that our working capital is sufficient for our present requirements.

Indebtedness

As of December 31, 2022, we had total outstanding indebtedness of US\$549.3 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, Aluvional Logística S.A. and AFBN S.R.L. are also guarantors since October 2018, March 2021 and December 2021, respectively.

The Credit Agreement consists of a five-year (i) 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”). 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—Detailed Risk Factors—Risks Related to our Company—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, we, Vista Argentina, 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, among others, 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, we, Vista Argentina, 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, we, Vista Argentina, 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, among others, 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, we, Vista Argentina, 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 Energy, 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, we, Vista Argentina, 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, among others, certain provisions that allow us and the rest of the borrowers’ refinance indebtedness following certain restrictions imposed by Communication “A” 7123 of the BCRA 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 Itaú 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, 2021, Vista Argentina, we, Vista Holding I and Vista Holding II entered into an amendment to the Amended and Restated Credit Agreement (the “Amendment No. 1 to Amended and Restated Credit Agreement”) with the Lenders and with Itaú Unibanco S.A., Nassau Branch, as administrative agent. The Amendment No. 1 to Amended and Restated Credit Agreement provides for, among others, amendments to certain provisions to add an additional indebtedness basket of US\$30 million.

On June 29, 2021, Vista Argentina, we, Vista Holding I and Vista Holding II entered into a further amendment (the “Amendment No. 2 to Amended and Restated Credit Agreement”) to the Amended and Restated Credit Agreement with the Lenders and with Itaú Unibanco S.A., Nassau Branch, as administrative agent. The Amendment No. 2 to Amended and Restated Credit Agreement provides for, among others, amendments to certain provisions on mandatory prepayments, permitted investments and permitted refinanced indebtedness and line of business.

On June 29, 2021, Vista Argentina entered into two bilateral loan agreements with Banco Santander International, for the amount of US\$13,500,000 and US\$30,000,000 respectively, each 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 December 16, 2021 and July 2, 2026.

On December 28, 2021, Vista Argentina, we, Vista Holding I and Vista Holding II entered into a further amendment (the “Amendment No. 3 to Amended and Restated Credit Agreement”) to the Amended and Restated Credit Agreement with the Lenders and with Itaú Unibanco S.A., Nassau Branch, as administrative agent. The Amendment No. 3 to Amended and Restated Credit Agreement provides for, among others, amendments to certain provisions on the benchmark replacement, use of unrestricted proceeds and permitted refinancing indebtedness.

On December 28, 2021, AFBN S.R.L. (“AFBN”) entered into the Amended and Restated Credit Agreement (as amended by Amendment No. 3 to Amended and Restated Credit Agreement) as guarantor, pursuant to a guaranty agreement between AFBN and Itaú Unibanco S.A., Nassau Branch, as administrative agent to the Amended and Restated Credit Agreement (as amended by Amendment No. 3 to Amended and Restated Credit Agreement).

On December 28, 2021, Vista Argentina entered into a bilateral loan agreement with Banco Santander International, for the amount of US\$13,500,000 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 20, 2022 and January 4, 2027.

On April 5, 2022, Vista Argentina, we, Vista Holding I and Vista Holding II entered into a further amendment (the “Amendment No. 4 to Amended and Restated Credit Agreement”) to the Amended and Restated Credit Agreement with the Lenders and with Itaú Unibanco S.A., Nassau Branch, as administrative agent. The Amendment No. 4 to Amended and Restated Credit Agreement provides for a waiver and amendments relating to certain provisions on the use of permitted investments.

On June 17, 2022, Vista Argentina, we, Vista Holding I and Vista Holding II entered into a further amendment (the “Amendment No. 5 to Amended and Restated Credit Agreement”) to the Amended and Restated Credit Agreement with the Lenders and with Itaú Unibanco S.A., Nassau Branch, as administrative agent. The Amendment No. 5 to Amended and Restated Credit Agreement provides for amendments to certain provisions on the use of permitted liens and waives certain provisions about the repayment on pro rata basis.

On December 2, 2022, Vista Argentina, we, Vista Holding I and Vista Holding II entered into a waiver (the “Waiver to Amended and Restated Credit Agreement”) to the Amended and Restated Credit Agreement with the Lenders and with Itaú Unibanco S.A., Nassau Branch, as administrative agent. The Waiver to Amended and Restated Credit Agreement waives certain provisions about the repayment on pro rata basis.

On December 21, 2022, we, as guarantors, Vista Energy Holding II, S.A. de C.V., as borrower and Elevate Export Finance Corp., as lender, entered into a loan agreement (the “Elevate Loan Agreement”) for the amount of approximately US\$9.3 million. The Elevate Loan Agreement provides for semi-annual amortization payments equal to one tenth of the total amount of the loan disbursed and maturing 54 months after the first principal payment.

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 February 2020, Vista Argentina issued a 48-month bullet bond for US\$50 million at a flat interest rate of 3.50% per annum (“Series III Bonds”), which on November 10, 2022 was partially exchanged for a 36-month bullet bond at a flat interest rate of 6.25% per annum amounting to US\$40.51 million (“Series XIV Bonds”). The outstanding US\$9.49 million of Series III Bond will be repaid according to the original terms and conditions.

On August 7, 2020, Vista Argentina issued notes for a nominal amount of US\$20 million, 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, 2023 (“Series V Bonds”).

On December 4, 2020, Vista Argentina issued additional US\$10 million notes of Series V Bond, and issued notes for a nominal amount of US\$10 million, 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 (“Series VI Bond”). On December 6, 2022, Series V Bonds were partially exchanged for a 42-month bullet bond at a flat interest rate of 0% amounting to US\$26.5 million (“Series XVI Bonds”). The outstanding US\$3,4 million of Series V Bonds were prepaid on December 16, 2022.

On March 10, 2021, Vista Argentina issued notes for a nominal amount of US\$42.3 million, 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 (“Series VII Bonds”); 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 (“Series VIII Bonds”). On March 26, 2021, Vista Argentina issued additional notes of Series VIII Bonds for a nominal amount of 33.966.570 UVA.

On June 18, 2021, Vista Argentina issued notes for a nominal amount of US\$38,8 million, at a fixed annual nominal interest rate of 4%, whose principal will be fully amortized in a single installment on the maturity date, on June 18, 2023 (“Series IX Bonds”); and also issued notes for a nominal amount of 39,093,997 UVA, at a fixed annual nominal interest rate of 4%, whose principal will be fully amortized in a single installment on the maturity date, on March 18, 2025 (“Series X Bonds”). On December 6, 2022, Series IX Bonds partially exchanged for additional Series XVI Bonds amounting to US\$34.4 million. The outstanding US\$4.4 million were prepaid on December 19, 2022.

On August 27, 2021, Vista Argentina issued notes for a nominal amount of US\$9.2 million, at a fixed annual nominal interest rate of 3.48%, whose principal will be fully amortized in a single installment on the maturity date, on August 27, 2025 (“Series XI Bonds”); and also issued notes for a nominal amount of US\$100.8 million, at a fixed

annual nominal interest rate of 5.85%, whose principal will be amortized in fifteen semi-annual installments from August 27, 2024 until maturity date, on August 27, 2031 (“Series XII Bonds”).

On June 16, 2022, Vista Argentina issued notes for a nominal amount of US\$43.5 million at a fixed annual nominal interest rate of 6%, whose principal will be fully amortized in a single installment on the maturity date, on August 8, 2024 (“Series XIII Bonds”).

On December 6, 2022, Vista Argentina issued a notes for a nominal amount of US\$13.5 million at a fixed annual nominal interest rate of 4%, whose principal will be fully amortized in a single installment on the maturity date, on January 20, 2025 (“Series XV Bonds”), and also issued notes for a nominal amount of US\$39 million at a fixed annual nominal interest rate of 0% whose principal will be fully amortized in a single installment on the maturity date, on December 6, 2026 (“Series XVII Bonds”).

On March 3, 2023, Vista Argentina issued notes for a nominal amount of US\$118.5 million at a fixed annual nominal interest rate of 0%, whose principal will be fully amortized in a single installment on the maturity date, on March 3, 2027 (“Series XVIII Bonds”), and also issued notes for a nominal amount of US\$16.5 million at a fixed annual nominal interest rate of 1% whose principal will be fully amortized in a single installment on the maturity date, on March 3, 2028 (“Series XIX Bonds”).

On September 16, 2021, Vista Argentina and Vista Energy, S.A.B. de C.V., as borrowers, entered into a loan agreement with ConocoPhillips, as lender, whereby the lender offered the borrowers a five-year line of credit of up to US\$25 million. On January 13, 2022, Vista Argentina requested a loan disbursement in an amount equal to US\$25 million under this line of credit.

As of the date of this annual report, we are not in arrears in the payment of principal and interest, as applicable, on the aforementioned loans.

Other contractual obligations

As of December 31, 2022, the Company also have other commitments and contractual obligations as follows:

	Payments due by period		
	Total	Short Term (Less than one year)	Long Term (More than one year)
	<i>(in thousands of US\$)</i>		
Employee Benefit Plan	14.786	1.562	13.224
Lease Agreements	124.294	36.297	87.997
Total	139.081	37.860	101.221

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, 2022, we made total capital expenditures of US\$540.0 million. During the year ended December 31, 2021, we made total capital expenditures of US\$324.1 million. During the year ended December 31, 2020, we made total capital expenditures of US\$225.9 million.

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, our remaining investment commitments, as of the date of this annual report, are as follows:

- (i) In Aguila Mora, to complete the construction of the production facilities and connect the two wells drilled and completed by the Company;
- (ii) In Bajada del Palo Este, to drill and complete one well;
- (iii) In Entre Lomas, 25 de Mayo-Medanito and Jagüel de los Machos, drill and complete three development wells, one extensión well, execute 19 workovers and abandon 21 wells.

Capital expenditures related to these commitments amount to an estimated US\$39 million. For more information on these investment commitments, see Note 29 to our Audited Financial Statements.

We have also committed to make certain capital investments in our block in Mexico. We have estimated that we will be required to make capital expenditures at our working interest for an estimated amount of US\$18.1 million. Capital commitments in the Mexican blocks should be completed in 24 months since the approval of each of the exploration periods by CNH. The CS-01 additional exploration period was approved by CNH to start on October 5, 2021. We may elect to defer in part the capital investments in Mexico that we had originally scheduled for 2022, depending on the timing of the approval of plans and permits. See “Item 3—Key Information—Risk Factors—Detailed Risk Factors—Risks Related to Our Business and Industry —We are exposed to contractions in demand of crude oil and natural gas and contractions in demand of any of their by-products.”

Cash Flows

The following table sets forth our cash flows for the periods indicated:

	For the year ended December 31, 2022	For the year ended December 31, 2021	For the year ended December 31, 2020
Cash flows provided by (used in)			
Operating activities	689,771	401,393	93,779
Investing activities	(582,712)	(295,456)	(156,099)
Financing activities	(143,201)	6,525	30,892
Net increase (decrease) in cash and cash equivalents ...	(36,142)	112,462	(31,428)

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 “Item 3—Key Information—Risk Factors—Detailed Risk Factors—Risks Related to the Argentine and Mexican Economic 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, 2022, net cash generated by operating activities was US\$689.8 million. This was mainly due to an increase in revenues for 2022 of US\$1,143.8 million, compared to US\$652.3 million in 2021, primarily driven by higher production and realized prices.

For the year ended December 31, 2021, net cash generated by operating activities was US\$401.4 million. This was mainly due to an increase in revenues for 2021 of US\$652.3 million, compared to US\$273.9 million in 2020, primarily driven by higher production and realized prices

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.

Cash Flows Used in Investing Activities

For the year ended December 31, 2022, net cash used in investing activities was US\$582.7 million, mainly due to payments of US\$479.4 million for the acquisition of property, plant and equipment, and the payment of US\$115.0 for the acquisition of assets of AFBN. The cash flow used in investing activities was mainly spent in the development of Vaca Muerta in Bajada del Palo Oeste and Aguada Federal.

For the year ended December 31, 2021, net cash used in investing activities was US\$295.5 million, mainly due to payments of US\$321.3 million for the acquisition of property, plant and equipment, partially offset by US\$24.2 million from payments received from assets disposal and payments received from the joint venture agreement. The cash flow used in investing activities was mainly spent in the development of Vaca Muerta in Bajada del Palo Oeste.

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.

Cash Flows Provided by (used in) Financing Activities

During the year ended December 31, 2022, cash used in financing activities was US\$143.2 million. This was primarily generated by loan principal repayments of US\$195.1 million, which was partially offset by a new loans for US\$128.8 million.

For the year ended December 31, 2021, cash provided by financing activities was US\$6.5 million. This was primarily generated by the proceeds from borrowings of US\$358.1 million, which was partially offset by the principal payment of US\$284.7 million for certain of our borrowings and interest payments of US\$54.6 million.

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.

Treasury Policies

Our internal policies relating to the company's treasury include that the board of directors is responsible for determining our financial strategy, comprising dividend policy, investment of our resources, cash flow and working capital strategies, mergers and acquisitions, debt and equity issuances, share repurchases, derivative strategies, asset purchases and leases, and the company's indebtedness, among others, subject in any case (where applicable) to the approval of our shareholders when required by law or in accordance with our by-laws.

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—Detailed 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—Detailed Risk Factors—Risks Related to the Argentine and Mexican Economic and Regulatory Environments” including matters related to potential risks and disruptions related to the COVID-19 pandemic.

ITEM 5E. CRITICAL ACCOUNTING ESTIMATES

Critical accounting policies are policies that require us to exercise judgment or involve a higher degree of complexity in the application of the accounting policies that currently affect our financial condition and results of operations. The accounting judgments and estimates we make in these contexts require us to calculate variables and make assumptions about matters that are highly uncertain. In each case, if we had made other estimates, or if changes in the estimates occur from period to period, our financial condition and results of operations could be materially affected.

See Note 3 to our audited financial statements for a summary of the critical accounting judgments and estimates applicable to us. There are many other areas in which we use estimates about uncertain matters, but we believe the reasonably likely effect of changes or differences within critical accounting judgments and estimates would not have a material impact on our financial statements.

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 oversight 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.

Name	Position	Independent*	Age	Appointed	Term Expires on
Miguel Galuccio	Chairman	No	55	2017	No expiration date
Susan L. Segal	Director	Yes	70	2017	No expiration date
Mauricio Doehner Cobian	Director	Yes	48	2017	No expiration date
Pierre-Jean Sivignon	Director	Yes	66	2018	No expiration date
Gerard Martellozo	Director	Yes	67	2022	No expiration date
Germán Losada	Director	Yes	38	2022	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.

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 on 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 (retiring in April 2023), 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 and in 2022 the Orden of Bocayá. 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 is Executive Vice President of Corporate Affairs, Enterprise Risk Management and Social Impact at CEMEX 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), the Mexican Business Coordinating Council (CCE), the School of Social Sciences and Government at Tecnológico de Monterrey, and a member of the GAP Group within the Consejo Mexicano de Negocios (CMN). 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 (now Forvia) 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 served in the past as an independent director of the Supervisory Boards of Imerys, Technip FMC (both companies traded on the Paris Stock Exchange), and Imperial Brands plc (which traded on London Stock Exchange). Mr. Sivignon graduated from French baccalaureate with honors in France and received an MBA from ESSEC (*Ecole Supérieure des Sciences Economiques et Commerciales*) also in France.

Gerard Martellozo developed his career at Schlumberger for over 40 years, retiring in 2019 as Vice President of Human Resources globally. Prior to assuming this position in 2014, he served as Senior Advisor to Schlumberger's chief executive officer, based in Houston, Texas, United States. Gérard joined Schlumberger in 1979 after completing a Master in Engineering at the Ecole Nationale Supérieure de l'Aéronautique et de l'Espace (Sup'Aero), France. He began his oilfield career as a wireline field engineer, quickly progressing into operations management with assignments in Spain, Italy, France, Nigeria, Algeria and Venezuela. After his experience in industry operating matters, he transitioned into Human Resources and worked with most of the company's oilfield services business sectors over the next 20 years. From 2010 to 2012 he was HR Director of the company's drilling group and responsible for integrating the several major oilfield services companies purchased by Schlumberger including Cameron, Smith, M-I and Geoservices. Gérard Martellozo is currently the Chairman of the Board for the Schlumberger Foundation. Before that, he joined the board of the Foundation in March 2014 to continue to lend his support to Schlumberger's long-term commitment to promoting women in technology in the world at large. He was also co-founder of Partnerjob.com, for which he served as treasurer from 2003 to its sale in 2017 to NetExpat.

Germán Losada, is a Co-founder, COO and Chairman at VEMO, a leading integrated clean mobility company in Latin America. Mr. Losada has 12 years of experience in private equity, focused on the energy sector in Europe, United States and Latin America, with a strong expertise in building start-ups. He was a founding team member of Riverstone's Latin America efforts, where he led the decarbonization growth equity and infrastructure investments. Mr. Losada serves as Chairman of VEMO and is a member of the Boards of Directors of Energía Real, White River Renewables and A2 Renovables. Previously, Mr. Losada worked in the European private equity group of First Reserve and in the investment banking division of Goldman Sachs in its Global Natural Resources and Latin America groups. Mr. Losada graduated from the University of San Andres in Argentina, where he earned a degree in Business Administration.

For a detailed description of the operation and authorities of our board of directors, see “Item 10—Additional Information—Memorandum and Articles of Association—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 members of the Audit and Corporate Governance Committees 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 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.

Audit Committee

The members of our Audit Committee are:

- Pierre-Jean Sivignon (chair);
- Mauricio Doehner Cobian
- Germán Losada; and
- Gerard Martellozo

The members of our Audit Committee are independent under NYSE standards, applicable SEC rules and the CNBV Rules.

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

The members of our Corporate Practices Committee are:

- Mauricio Doehner Cobian (chair);
- Pierre-Jean Sivignon;
- Susan L. Segal
- Germán Losada; and
- Gerard Martellozo.

There is no expiration date on the term of the appointment of the members of our Corporate Practices Committee. For a detailed description of the operation and authorities of our audit committee, see “Item 10—Additional Information—Memorandum and Articles of Association —Audit and Corporate Practices Committees.”

Compensation Committee

The members of our Compensation Committee are:

- Gerard Martellozo (chair);
- Pierre-Jean Sivignon;
- Mauricio Doehner Cobian
- Germán Losada; and
- Susan L. Segal

For a detailed description of the operation and authorities of our audit committee, see “Item 10—Additional Information—Memorandum and Articles of Association —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.”

Executive Team

The following table sets forth the members of our Executive 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	55
Pablo Manuel Vera Pinto	Chief Financial Officer	45
Juan Garoby	Chief Operations Officer	52
Alejandro Cheriñacov	Strategic Planning and Investor Relations Officer	41

Miguel Galuccio. See “Item 6—Directors, Senior Management and Employees—Board of Directors—Miguel Galuccio.”

Pablo Manuel Vera Pinto has served 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 has served 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 Cheriñacov has served 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. Cheriñacov 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. Cheriñacov served as Investor Relations Officer of YPF, where he was responsible for repositioning the company in the local and international capital markets. Mr. Cheriñacov 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. Cheriñacov 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 has served as our General Counsel since August 1, 2017. Mr. Rodríguez Galli is a partner at the firm Bruchou & Funes de Rioja – 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 Malaysia, 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 Executive Team

Our Chief Executive Officer and the other relevant officers (including members of our Executive 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 Executive 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 Executive Team) are also subject to the same fiduciary duty obligations as our directors.

Our executive team also plays an important role from an ESG perspective. During 2022, we redefined our internal ESG framework with annual and mid-term objectives. Each of our senior managers is the project leader for one or more initiatives in our ESG framework. Each initiative has objectives, which are executed as projects, by each team and a project leader, who is responsible for moving each initiative forward. On a quarterly basis, the project leaders present the progress of their work program to the Executive Team and the Corporate Practices Committee, which in turn presents key aspects and conclusions to the Board of Directors.

Family Relationships

There are no family or kinship relationships among our directors and the members of our Executive Team.

Compensation

During the year ended December 31, 2022, the aggregate remuneration paid by the Issuer to Key Management Personnel for services in all capacities to the Issuer and its subsidiaries was US\$26.1 million.

During the year ended December 31, 2022, the remuneration paid by the Issuer to each of the members of the Board of Directors, excluding the Chairman of the Board and the Chief Executive Officer, consisted of: (i) a fee payment of US\$80,000.00, payable in four quarterly installments, and (ii) 25,000 series A shares, within the terms of the LTIP. The right to receive such remuneration was contingent upon attendance at a minimum of four meetings of the Company's Board of Directors during the 2022 fiscal year.

Long Term Incentive Plan

On March 22, 2018, a shareholders' meeting authorized our the Plan (as defined above). 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, 2,287,706 Restricted Stock, 6,298,283 Stock Options, and 5,124,504 Performance Restricted Stock are outstanding under the Plan. The exercise prices and expiration dates of the Stock Options outstanding under the Plan are as follows (i) 2,546,155 Stock Options at an exercise price of US\$6.70 per series A share, expiring on February 19, 2024, (ii) 643,769 Stock Options at an exercise price of US\$2.10 per series A share, expiring on April 29, 2030, (iii) 1,178,862 Stock Options at an exercise price of US\$2.85 per series A share, expiring on February 25, 2031, (iv) 1,416,119 Stock Options at an exercise price of US\$7.05 per series A share, expiring on February 23, 2032, and (v) 513,378 Stock Options at an exercise price of US\$17.83 per series A share, expiring on February 23, 2033. A restated version of the Plan has been approved by the Compensation Committee on February 22, 2023.

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. Performance Restricted Stock vests based on the attainment of performance goals over a period of time to be determined by the Manager in consultation with the Board of Directors and/or the Compensation Committee and set forth in the corresponding award notice.

Plan Administration. The Plan is administered by our Board of Directors and/or the Compensation Committee. 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 10 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. On March 26, 2019, the Company entered into the trust agreement No. 3844 with Banco INVEX, S.A., Institución de Banca Múltiple, INVEX Grupo Financiero in its capacity as trustee (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. On December 2, 2022 an amendment to such trust agreement was entered into in order to allow distributing the respective awards, not only based on Shares but also in ADSs representing rights with respect to Shares.

On February 6, 2023, the Company filed with the SEC a registration statement on Form S-8, which relates to the registration of series A shares to be offered and sold under the Plan.

Business Address of the Members of our Board of Directors and Executive Team

The business address of the members of our Company's board of directors and the members of our Executive Team is: Pedregal No. 24, Floor 4, Colonia Molino del Rey, Alcaldía Miguel Hidalgo, Mexico City, Zip Code 11040, Mexico.

Share Ownership

As of the date of this annual report, Susan Segal, Gerard Martellozo, German Losada and Mauricio Doehner Cobian 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) 5,303,907 series A shares, (ii) 1,723,494 vested Stock Options, (iii) 1,818,105 unvested Stock Options (of which 272,331 vest within 60 days), (iv) 892,874 Restricted Stock (of which 186,194 vest within 60 days), and (v) 2,286,083 Performance Restricted Stock. The exercise prices and expiration dates of the Stock Options held by the Chairman are as follows (i) 1,442,308 Stock Options at an exercise price of US\$6.70 per share, expiring on February 19, 2024, (ii) 272,331 Stock Options at an exercise price of US\$2.10 per series A share, expiring on April 29, 2030, (iii) 677,507 Stock Options at an exercise price of US\$2.85 per series A share, expiring on February 25, 2031, (iv) 843,558 Stock Options at an exercise price of US\$7.05 per series A share, expiring on February 23, 2032 and (v) 305,895 Stock Options at an exercise price of US\$17.83 per series A share, expiring on February 23, 2033.

As of the date of this annual report, our Chief Financial Officer owned (i) 1,344,604 series A shares, (ii) 379,169 vested Stock Options, (iii) 429,940 unvested Stock Options (of which 89,869 vest within 60 days), (iv) 216,915 Restricted Stock (of which 61,444 vest within 60 days), and (v) 598,736 Performance Restricted Stock. The exercise prices and expiration dates of the Stock Options held by our Chief Financial Officer are as follows (i) 317,308 Stock Options at an exercise price of US\$6.70 per share, expiring on February 19, 2024, (ii) 89,869 Stock Options at an exercise price of US\$2.10 per series A share, expiring on April 29, 2030, (iii) 149,051 Stock Options at an exercise price of US\$2.85 per series A share, expiring on February 25, 2031, (iv) 185,583 Stock Options at an exercise price of US\$7.05 per series A share, expiring on February 23, 2032 and (v) 67,297 Stock Options at an exercise price of US\$17.83 per series A share, expiring on February 23, 2033.

As of the date of this annual report, our Chief Operating Officer owned (i) 1,296,430 series A shares, (ii) 379,169 vested Stock Options, (iii) 429,940 unvested Stock Options (of which 89,869 vest within 60 days), (iv) 216,915 Restricted Stock (of which 61,444 vest within 60 days), and (v) 598,736 Performance Restricted Stock. The exercise prices and expiration dates of the Stock Options held by our Chief Operating Officer are as follows (i) 317,308 Stock Options at an exercise price of US\$6.70 per share, expiring on February 19, 2024, (ii) 89,869 Stock Options at an exercise price of US\$2.10 per series A share, expiring on April 29, 2030, (iii) 149,051 Stock Options at an exercise price of US\$2.85 per series A share, expiring on February 25, 2031, (iv) 185,583 Stock Options at an exercise price of US\$7.05 per series A share, expiring on February 23, 2032 and (v) 67,297 Stock Options at an exercise price of US\$17.83 per series A share, expiring on February 23, 2033.

As of the date of this annual report, our Strategic Planning and Investor Relations Officer owned (i) 1,038,484 series A shares, (ii) 287,006 vested Stock Options, (iii) 390,854 unvested Stock Options (of which 81,699 vest within 60 days), (iv) 197,194 Restricted Stock (of which 55,858 vest within 60 days), and (v) 544,305 Performance Restricted Stock. The exercise prices and expiration dates of the Stock Options held by our Strategic Planning and Investor Relations Officer are as follows (i) 230,769 Stock Options at an exercise price of US\$6.70 per share, expiring on February 19, 2024, (ii) 81,699 Stock Options at an exercise price of US\$2.10 per series A share, expiring on April 29, 2030, (iii) 135,501 Stock Options at an exercise price of US\$2.85 per series A share, expiring on February 25, 2031, (iv) 168,712 Stock Options at an exercise price of US\$7.05 per series A share, expiring on

February 23, 2032 and (v) 61,179 Stock Options at an exercise price of US\$17.83 per series A share, expiring on February 23, 2033.

Except as set forth above, none of our directors or executive officers held Restricted Stock, Performance Restricted Stock 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, 2022, we had 465 employees, of which 448 were in Argentina and 17 in Mexico.

The following table shows the employee headcount for Vista for the periods presented:

	As of		
	December 31, 2022	December 31, 2021	December 31, 2020
Vista.....	465	411	382

As of December 31, 2022, December 31, 2021, and December 31, 2020, 59%, 59% and 34%, 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—Detailed 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, 2022, there were also approximately 700 outsourced staff that access our operations on a daily basis to provide services. 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—Detailed Risk Factors—Risks Related to our Company—We face risks relating to certain legal proceedings.”

We are firmly committed to providing the necessary tools for our workforce to grow technically and advance their careers within the Company. We have designed a professional development plan for technical training: the technical career program. First, we identified a matrix of critical competencies needed for the different technical positions. We conduct a gap analysis of our workforce and identify the skills needed to improve the qualification of our teams. Each career has a technical mentor and a person who evaluates the progress of individuals at each step of their career. We believe Vista has exceptional and experienced mentors who come from technical backgrounds and have been specifically involved with Vaca Muerta since the beginning of development.

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 92,883,542 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 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 or restricted stock are deemed outstanding for computing the percentage ownership of the person or entity holding such options 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⁾	12,822,580	13.81%
Miguel Galuccio ⁽²⁾	7,485,926	8.06%

- (1) 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.
- (2) As of the date of this annual report, our chairman holds (i) 5,303,907 series A shares, (ii) 1,723,494 vested Stock Options, (iii) 1,818,105 unvested Stock Options (of which 272,331 vest within 60 days), (iv) 892,874 Restricted Stock (of which 186,194 vest within 60 days), and (v) 2,286,083 Performance Restricted Stock (which do not vest within 60 days of the date of this annual report).

As of December 31, 2022, there were 65,575,624 ADSs outstanding (representing rights to 65,575,624 series A shares or 74% of outstanding series A shares). As of December 31, 2022, there were two 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

As of the date hereof, the Company is not directly nor indirectly controlled by another company, a government, or by any other individual or legal entity. In addition, we hereby represent that we are not aware of any commitment that could represent a change of control in our corporate structure.

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

	Consolidated for the year ended December 31, 2022
Short-term employee benefits	12,990
Termination benefits	-
Share-based payment transactions.....	13,119
Total	26,109

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 were subject to the same terms as the Sponsor Warrants and were exercised as per the amended warrants indenture as approved in the Warrants Holders Meeting on October 4, 2022. See “Item 4—Recent Developments—Exercise of Warrants.”

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 from regulatory authorities in connection with the fulfillment of certain environmental, health and/or safety matters. 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.

Dividends paid from our distributable earnings that have not been subject to corporate income tax (i.e., that do not derive from our net after-tax profits account (*cuenta de utilidad fiscal neta* or “CUFIN”) are subject to a corporate-level tax payable by us. We are entitled to apply any such tax on the distribution of earnings as a credit against our Mexican corporate income tax corresponding to the fiscal year in which the dividend was paid or against the Mexican corporate income tax of the two fiscal years following the date in which the dividend was paid. Dividends paid from our distributable earnings that have been subject to corporate income tax (i.e., that derive from the company’s CUFIN balance) are not subject to this corporate-level dividend income tax.

On March 16, 2022, the Board of Directors of the Company called for an Ordinary and Extraordinary General Shareholders’ meeting, to propose, discuss, and, if applicable, approve a proposal permitting up to US\$23.84 million (namely the total net profits for the year 2021, including the retained profits (accumulated results) minus US\$1.26 million, that will be set aside to constitute the legal reserve) to be used for the purchase of the Company’s own shares during 2022. If the maximum amount of funds set aside for the purchase are not entirely used by December 31, 2022, the Company may use the remaining amount to repurchase its own shares during 2023. The amount of funds applicable to be used in 2023 may be increased or modified by any subsequent shareholders’ meeting. The proposal was subsequently approved by the Ordinary and Extraordinary General Shareholders’ meeting on April 26, 2022.

On October 26, 2022, the Board of Directors of the Company called for an Ordinary General Shareholders’ meeting, to propose, discuss, and, if applicable, approve a proposal permitting up to US\$25.63 million (namely the total net profits for the first nine months of 2022, including the retained profits (accumulated results) minus US\$1.35 million, that will be set aside to constitute the legal reserve) to be used for the purchase of the Company’s own shares during 2022. If the maximum amount of funds set aside for the purchase are not entirely used by December 31, 2022, the Company may use the remaining amount to repurchase its own shares during 2023. The amount of funds applicable to be used in 2023 may be increased or modified by any subsequent shareholders’ meeting. The proposal was subsequently approved by the Ordinary General Shareholders’ meeting on December 7, 2022.

On April 24, 2023, the Shareholder’s Meeting approved an amendment of the maximum amount of funds that may be used for the purchase of the Company’s shares (or securities representing such shares) for the fiscal year 2023, from the originally approved US\$20.1 million to US\$50.0 million, the remainder of which, if any, may be used for the same purposes for the fiscal year 2024.

SIGNIFICANT CHANGES

There are no significant changes to the financial information included in the most recent audited 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 one 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 92,883,542 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.

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 affected 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 affected 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 depository that acts as a clearinghouse, depository, 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 makes 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.vistaenergy.com. An English translation of our current bylaws is available from us upon request via email at ir@vistaenergy.com.

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, 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 92,883,542 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 were 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” (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 Cherniacov (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 10—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. As of the date of this annual report, there are no outstanding warrants. As of the date hereof, and as a consequence of the exercise of all outstanding warrants on March 15, 2023, the Strategic Partners Agreement has come to an end as the terms thereof are no longer applicable. See “Item 4—Information on the Company—History and Development of the Company—Recent Developments—Exercise of Warrants.”

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 the date of this annual report, 6,086,679 series A shares have been vested and are outstanding in connection with the Plan. See “Item 6—Directors, Senior Management and Employees—Board of Directors—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

On October 4, 2022, Vista held a warrant holders’ meeting during which the warrant holders approved the amendments to the warrant indenture and the global certificate that covers such Warrants proposed by the Company, by means of which a cashless exercise mechanism was implemented that entitled the warrant holders to, in their sole discretion or at Vista’s discretion (in the latter case, with respect to all outstanding warrants and without any further

request, notice or communication required to or from Holders or any other person), obtain one series A share for each 31 Warrants owned.

During the period between October 10, 2022 and March 7, 2023, the warrants holders exercised 75,144,465 warrants, and as a result of such exercise, 2,424,015 additional series A shares became outstanding.

On March 7, 2023, Vista concluded the process with the CNBV to update the registration of Vista's warrants in the RNV enabling the Automatic Cashless Exercise. On March 15, 2023, by virtue of such Automatic Cashless Exercise, and after giving effect thereto, the 24,535,535 outstanding Warrants were exercised, equivalent to 791,439 additional series A shares became outstanding. By virtue of the exercise of all warrants (i.e., those exercised by the Holders before the Automatic Cashless Exercise, plus those exercised pursuant to such Automatic Cashless Exercise), the total number of series A shares that became outstanding is 3,215,454. As of the date of this annual report, there are no outstanding warrants.

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 most 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), 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), 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), 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 general oversight 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 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 four 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, and to allow meetings of the Board of Directors to be held by telephone or by video conference or by any other means that enables the effective and simultaneous participation of its members.

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 powers, include, but are not limited to, the following:

- performing all transactions and executing, amending and terminating agreements entered into pursuant to carrying out our corporate purposes;
- opening, managing and canceling bank accounts, including, but not limited to, the authority to appoint signatories who may draw funds from such account;
- withdrawing all types of deposits;
- 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;
- granting and revoking general and special powers of attorney;
- opening and closing branch offices, agencies and dependencies;
- executing all resolutions adopted at general shareholders' meetings;
- 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;
- 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;
- initiating criminal claims and complaints, and act as an adjudicant before the Argentine Public Prosecutor (*Ministerio Público Argentino*);
- accepting on our behalf mandates of legal entities or persons, either national or foreign;
- 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;

- approving information and communication policies for shareholders and the market;
- calling for ordinary and extraordinary general and special shareholders' meetings and executing the resolutions thereof;
- 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);
- establishing strategies to fulfill our corporate purposes;
- taking any action authorized by Article 28 of the Mexican Securities Market Law or any other provision replacing it from time to time;
- 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;
- 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;
- appointing provisional directors, pursuant to the provisions of the Mexican Securities Market Law;
- 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;
- 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 matters and have the authorities to execute all kinds of agreements and carry out all kinds of actions in such regard;
- 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
- 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 three 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.

Meetings of the Committees may be held by telephone or by video conference or by any other means that enables the effective and simultaneous participation of its members.

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 apprised 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.

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:

- 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;
- 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
- the redeemed shares and the certificates representing them are canceled, with the corresponding capital decrease.

Minority Rights

The bylaws provide the following minority rights:

- 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;
- 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;

- 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
- 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:

- 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;
- 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.

- (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;
- 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;
- 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;
- 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;
- 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;
- 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;
- 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;
- 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
- 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:

- 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
- 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 “Item 10—Additional Information—Memorandum and Articles of Association” below and shall justify their decision in writing.

- 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.
- 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.

- 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.
- 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 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 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 BCRA's implementing regulations and settle for Pesos through the Foreign Exchange Market (the "FX Market"); and (ii) authorized the BCRA to (a) regulate the 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 BCRA issued Communication "A" 6770, which was subsequently amended and supplemented by further BCRA communications.

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 BCRA's communications (the "FX Regulations"). Below is a description of the main exchange control measures implemented by the FX Regulations:

Specific Provisions for Inward Remittances

Repatriation and settlement of the proceeds of exports of goods.

From September 2, 2019 and in accordance with Section 7.1 of the FX Regulations, exporters must repatriate, and settle the proceeds from exports of goods cleared through customs in Argentine Pesos. Notwithstanding the maximum terms for settlement as of obtaining the "shipping fulfillment" (*cumplido de embarque*) established in Section 7 of the FX Regulations, export proceeds must be entered and settled through the FX Market within five business days following payment thereof.

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.

The disbursements under new pre-financing, post-financing, and export advances must be entered through the FX Market within five business days from the disbursement date, with an additional ten business days for the settlement of funds in the FX Market.

Amounts collected in foreign currency for insurance claims related to the exported goods must also be repatriated and settled for Argentine Pesos in the FX Market, up to the amount of the insured exported goods.

Moreover, through Section 8 of the FX Regulations, 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 Peso settlement obligations imposed by the new regulations.

Through Communication "A" 7200 (as amended by Communication "A" 7273), the Central Bank created the "Exporters and Importers Foreign Exchange Information Registry" ("RICEI" per its acronym in Spanish). From time to time, the Central Bank shall publish the list of companies that, on the basis of the significance of their exporting and/or importing activities, must comply with this registration. As from May 1, 2021, failure to comply with the registration while being identified as an obliged entity will result in the need to obtain Central Bank

authorization for any purchases of foreign currency by the relevant companies. In March 2021, the Central Bank published through Communication “C” 89476 the first list of companies obliged to register with the RICEI. The Company was included in such list and complied with the required registration.

Application of exports proceeds

Subject to certain requirements, FX Regulations authorize the application of export proceeds to the repayment of, inter alia: (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; (iii) financial indebtedness under contracts executed prior to August 31, 2019 providing for cancellation thereof through the application abroad of export proceeds; (iv) other foreign financial indebtedness subject to certain requirements as established in Sections 7.9 and 7.10 of the FX Regulations. Also, it allows export proceeds to be held abroad to guarantee payment of new indebtedness, provided certain requirements are complied with. All other uses of export proceeds shall be subject to BCRA prior approval.

Local collections for exports of on-board supplies to foreign flagged means of transport (regimen de ranchos)

Section 8.5.18 establishes 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:

- The documentation allows the agency to verify that the delivery of the exported merchandise has taken place in the country, that the local agent representing 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.
- A financial entity shall issue a certificate 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 intended to be computed to the shipment permit. The financial entity which issued such certification has previously verified compliance with all the other requirements established in Section 3.2.2. of the FX Regulations, except for provisions of Section 3.16.13. Additionally, the local agent representing the company that owns the foreign flagged means of transport will have filed an affidavit stating that (a) it has not transferred funds abroad or (b) will transfer funds abroad for the proportional amount of the operations included in the certification.
- In the event that the funds have been received in Argentina 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\$2,000,000 in the calendar month.

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 five business days following either the perception of funds in the country or abroad, or their accreditation in foreign accounts.

Foreign financial indebtedness

Pursuant to Section 2.4 of the FX Regulations in order for resident debtors to have access to the FX Market to repay foreign financial indebtedness disbursed as of September 1, 2019, the loan proceeds must have been settled through the FX Market and the operation must have been declared under the Foreign Assets and Liabilities Reporting Regime. As a result, although settlement of the loan proceeds is not mandatory (i.e., the loan proceeds may be kept

and applied directly abroad), failure to settle them shall preclude future access to the FX Market for repayment purposes.

Although the FX Regulations maintain the obligation to remit proceeds related to external financial indebtedness through the FX Market as a prior condition to access the FX Market to make payments thereunder, Section 2.6 also authorizes the exporter to avoid the settlement for Argentine pesos to the extent: (a) the funds are credited in foreign-denominated accounts in the name of the local resident, opened at local banks; (b) the funds are remitted to Argentina within the applicable terms; (c) the funds are simultaneously applied for making payments for which the FX 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 being prepaid, and (e) the mechanism is fiscal-neutral.

Subject to the compliance with the access conditions, access to the FX Market is granted for the repayment of debt services at maturity or up to three business days in advance. In addition, as set forth by Section 3.5.3.1 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 made simultaneously with the repatriation and conversion to Argentine pesos through FX Market of new financial indebtedness; (ii) the new financial indebtedness has a longer average life than the outstanding average life of the debt being prepaid; and (iii) the aggregate principal payments under the new indebtedness does not exceed the aggregate principal payments of the debt being prepaid. Communication “A” 7532 established specific rules applying to the access to the FX Market for the prepayment of foreign currency-denominated financings granted by local banks and for the prepayment of locally-registered debt securities payable in foreign currency.

In addition, pursuant to the FX Regulations, access to the FX Market for the prepayment of interest in the context of a debt securities exchange process shall be granted provided the following conditions are met: (i) the prepayment is made in the context of an exchange of debt securities issued by the debtor; (ii) the prepaid amount corresponds to interest accrued as of the exchange closing date; (iii) the average life of the new debt securities is longer than the remaining average life of the exchanged securities; and (iv) the cumulative amount of the principal payments under the new securities does not exceed the amount of the principal payments under the exchanged security. The FX Regulations also allow for the prepayment of debt services in the context of the mandatory refinancing imposed by Communication “A” 7106 (as amended and extended from time to time) as further explained below.

Moreover, Section 3.11.1 of the FX Regulations authorizes (1) local borrowers under (A) external financial indebtedness with non-related creditors and (B) foreign indebtedness to finance the import of goods granted by foreign financial entities or official credit agencies, and (2) onshore trusts constituted to guarantee indebtedness detailed in (A) and (B) above, to access the FX Market to purchase foreign currency to fund debt service reserve accounts for the amounts required under the relevant loan agreements, subject to compliance with the following conditions: (a) the corresponding indebtedness has access to the FX Market for repayment thereof and the agreements provide for debt service guarantee accounts; (b) the funds are credited to accounts opened in local financial entities; credit into offshore accounts shall only be admitted if that is the only and exclusive option provided for under the financing documents provided that such financing documents were entered into before August 31, 2019; (c) the amounts accumulated in such debt service reserve accounts do not exceed the amount of the next debt service; (d) the daily purchases of foreign currency to fund the debt service reserve account shall not exceed 20% of the maximum amount mentioned in (c); and (e) the bank must review the financing documents and confirm that the aforementioned conditions are met. Any funds not applied under the debt service reserve account to cancel debt service must be settled for Argentine pesos in the FX Market within five business days from the corresponding debt service payment date.

Additionally Section 3.11.2 of the FX Regulations also authorized local residents to access the FX Market for the repayment of foreign financial indebtedness and local debt securities with access to the FX Market prior to the maturity of such indebtedness, subject to the compliance of the following conditions: (a) the funds purchased must be deposited in foreign currency denominated accounts in its name opened with local financial entities; (b) access to the FX Market is allowed up to five business days in advance of the applicable term; (c) daily purchases of foreign currency shall not exceed 20% of the amount to be cancelled at maturity; and (d) the bank must confirm that all

applicable requirements have been met. Any funds not applied to cancel debt service or amortization payment must be settled for Argentine pesos in the FX Market within five business days from the corresponding payment date.

Notwithstanding the above:

(i) In accordance with Section 3.5.7. of the FX Regulations, until December 31, 2023 access to the FX Market for payment of principal under external financial indebtedness with non-resident related parties is subject to the Central Bank's prior approval. The restriction shall not apply: (i) to transactions of local financial entities; (ii) to financings brought and settled through the FX Market as from October 2, 2020 with an average life of at least two years; (iii) to the extent the debtor has a Certification of Increase of Exports for an amount at least equal to the debt services payable to the related party; or (iv) subject to specific caps, to beneficiaries of the Foreign Exchange Access Regime for the Incremental Production of Crude Oil and the Incremental Injection of Natural Gas (Decree No. 277/2022).

(ii) Pursuant to Section 3.17 of the FX Regulations, any person who should make repayments of principal with due dates until December 31, 2023 for the following transactions: (a) financial indebtedness to a foreign creditor of the non-financial private sector that is not a party related to the debtor, or (b) external financial indebtedness based on transactions carried out by the institutions themselves, or (c) issues of debt securities publicly registered in Argentina and denominated in foreign currency by customers of the private sector or the institutions themselves, to have access to the exchange market shall submit before the Central Bank a detailed statement of a refinancing plan based on the following criteria: (a) the net amount for which access will be granted to the exchange market on the original terms shall not exceed 40% of the principal amount that was due to expire, and (b) the remaining principal amount shall have been refinanced, at least, by a new external indebtedness with an average life of two years. This does not apply to: (i) financings granted or guaranteed by international credit agencies (or their associated agencies) or official credit agencies; (ii) payment of principal not exceeding US\$2,000,000 per month; (iii) indebtedness incurred as from January 1, 2020, the proceeds of which were repatriated and settled through the FX Market; (iv) indebtedness incurred as from January 1, 2020 and the proceeds therefrom have been entered and settled through the exchange market; (v) indebtedness incurred as from January 1, 2020, constituting a refinancing of principal payments maturing after such date, provided that the refinancing was carried out in accordance with Section 3.17.3 of the FX Regulations; and (vi) the remaining balance of refinanced principal

In addition, the refinancing plan will be deemed to be complied with when the debtor accesses the FX Market in excess of 40% of the relevant principal payments, to the extent that the debtor for an amount equal to or greater than the excess over 40%: (i) records settlements in the FX Market as of October 9, 2020 for issuances of debt securities with public registration abroad or other financial indebtedness with abroad; (ii) registers settlements in the foreign exchange market as from October 9, 2020 for issues of debt securities with public registration in the country denominated in foreign currency that comply with the conditions set forth in section 3.6.1.3 of the FX Regulations 7490; (iii) it has a "Certification of increased exports of goods" issued under item 3.18 of the FX Regulations or a "Certification under the regimes of access to foreign currency for the incremental production of oil and/or natural gas (Decree No. 277/22); or (iv) the transaction is carried out through an exchange and/or arbitrage transaction with funds deposited in a "Special account for the regime for the promotion of the knowledge economy. Decree No. 679/22" of the client and the client has a "Certification for direct investment contributions under the Regime for the Promotion of the Knowledge Economy (Decree No. 679/22)

Under Section 3.6.4.4. of the FX Regulations, in the context of transactions performed under Section 3.17 of the FX Regulations, the debtor is authorized to prepay principal and interest, up to 45 days in advance, provided the following conditions are met: (i) the amount of interest being prepaid does not exceed interest accrued under the refinanced indebtedness; and (ii) the accumulated principal amount of the new indebtedness incurred/to be incurred does not exceed the principal amount that would have accumulated under the refinanced indebtedness.

In addition, pursuant to Section 3.5.1.7. of the FX Regulations, in the case of debt securities with public registration abroad and denominated in foreign currency, issued as from January 7, 2021 to refinance preexisting debts by extending their average life, access to the FX Market shall be granted for an amount equivalent to the refinanced principal, and the interest accrued up to the date of the refinancing and, provided that the new securities do not have principal maturities scheduled within two years, to the interest that would accrue during the first two years for the refinanced indebtedness and/or by the deferment of the refinanced principal and/or by the interest which would accrue on the amounts refinanced.

Specific Provisions Regarding Access to the FX Market

General Requirements

As a general rule, and in addition to any rules regarding the specific purpose for access, certain general requirements must be met by a local company or individual to access the FX Market for the purchase of foreign currency or its transfer abroad (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 and interest on foreign indebtedness; payments of interest on debts for the import of goods and services, among others) without need of prior BCRA prior approval. These include the following:

- during the 90 days preceding the date of said access, the local company must not have:
 - (i) sold securities in Argentina issued by residents for foreign currency, (ii) transferred such securities to a foreign depository, (iii) exchanged such securities for other foreign assets, (iv) purchased with pesos in Argentina securities issued by non-resident issuers, or (v) as of July 22, 2022, (x) acquired Argentine depository certificates representing shares issued by non-resident companies, (y) acquired corporate debt securities (i.e., securities issued by private-sector issuers, as opposed to public-sector issuances) issued outside Argentina, or (z) delivered Argentine pesos or any other local assets (other than foreign currency funds deposited in Argentine banks) to any person, receiving in exchange thereof, whether prior to or after such delivery, and whether directly or indirectly through a related, controlled or controlling entity, foreign assets, crypto assets or securities deposited abroad (any of the trades listed in (i) through (v), a “Restricted Securities Trade”); or
 - delivered Pesos or other local liquid assets (e.g., Argentine sovereign bonds) to any individual or legal entity having a direct controlling interest in it, unless: (i) such delivery resulted from regular purchases of goods or services executed in its ordinary course of business, or (ii) it provides an affidavit from each such controlling individual or legal entity pursuant to which such persons declare they comply during the 90 days following said access to the FX Market, not to carry out any Restricted Securities Trade; and
- on the date of said access, the local company must:
 - not have any available foreign liquid assets or Argentine depository certificates representing shares issued by non-resident companies for an aggregate amount in excess of US\$100,000, Central Bank Communication “A” 7030 contains a non-exhaustive list of assets that qualify as “foreign liquid assets” for purposes thereof, which include foreign currency bills and coins, gold bars, sight deposits with foreign banks and, generally, any other investment that allows for immediate availability of foreign currency (e.g., foreign bonds and securities, investment accounts with foreign investment managers, crypto-assets, cash held with payment service providers, etc.).
 - deposit all its local holdings of foreign currency in accounts held with local financial institutions,
 - undertake to settle through the FX Market within five business days as from receipt thereof, any funds received abroad as a result of the repayment of loans, the release of term-deposits or the sale of any type of asset, to the extent the asset was originally acquired, the deposit made or the loan granted, as applicable, after May 28, 2020, and
 - not be included in the list of “issuers of fake invoices and similar documents” (base de facturas o documentos equivalentes calificados como apócrifos) kept by the Argentine Tax Authority (Administración Federal de Ingresos Públicos).

Payment of Imports of goods and services

Section 3.1 of the FX Regulations allows access to the FX Mmarket for the payment of imports of goods, establishing different conditions depending on whether they are payments for imports of goods with customs entry registration, or payments for imports of goods with pending customs entry registration. It also provides for the

reestablishment of the import payment tracking system (*SEPIMPO*) for the purpose of monitoring import payments, import financing and the entry of goods into the country.

Additionally, the local importer must designate 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 settlement of import financing and the entry of imported goods.

Notwithstanding the above, according to the provisions of Section 10.11 of the FX Regulations, as of January 1, 2023, prior approval from the BCRA was required to access the FX Market for the payment of imports of goods or to make principal payments of debts arising from the importation of goods, unless any of the situations set forth in sections 10.11.1 to 10.11.11 of the FX Regulations are verified. Some of those situations are:

- (a) The intervening entity has an affidavit from the customer stating that the total amount of payments associated with its imports of goods settled through the FX Market as of January 1, 2020, including the payment for which processing is being requested, does not exceed by more than the equivalent of US\$250,000 the amount that arises from taking into account (i) the amount for which the importer would have access to the FX Market when computing imports of goods in its name in the foreign exchange market tracking system (“*SEPAIMPO*”) and that were officialised between January 1, 2020 and the day before access to the FX Market, imports of goods associated with a declaration made through the officialised *SIMI (Integrated Import Monitoring System)* shall be computed to the extent that any of the conditions set out in sections 10.3.2.7.i) to 10.3.2.7.vii) of the FX Regulations; (ii) plus the amount of payments made through FX Market as from July 6, 2020 corresponding to imports of goods entered by particular request or courier which have been shipped as from July 1, 2020 or which, having been shipped prior to that date, had not arrived in the country before that date, (iii) plus the amount of payments made under items (b) to (d) below, not associated with imports covered by items (i) and (ii) of this paragraph, (iv) minus the amount outstanding for payments for imports with pending customs registration made between September 1, 2019 and December 31, 2019.
- (b) It is a deferred payment for imports of goods corresponding to transactions shipped on or after July 1, 2020 or which, having been shipped prior to that date, had not arrived in the country before that date, provided that any of the conditions set out in items 10.3.2.7.i) to 10.3.2.7.vii) of the FX Regulations are met.
- (c) It is a payment associated with a transaction not included in point b) to the extent that it is intended for the cancellation of a commercial debt for imports of goods with an export credit agency or a financial institution abroad or that has a guarantee granted by them.
- (d) It is a payment at sight or commercial debts with no record of customs entry and the following conditions are met: (a) the transaction relates to the import of inputs to be used for the manufacture of goods in the country; and (b) the payments made under this subparagraph do not exceed, in the current calendar month and for all the entities, the amount obtained by taking the average amount of imports of inputs eligible for the purposes of point 10.11.1. in the last twelve closed calendar months, net of the amount pending regularisation for payments with pending customs entry registration in a situation of delay recorded by the importer. The entity shall have an affidavit from the client stating compliance with the conditions indicated, the input nature of the imports computed and also verifying that the declared amount is compatible with the existing data in the BCRA from the online system implemented for this purpose.

In addition, it should be noted that on October 13, 2022, the BCRA issued Communication “A” 7622 (subsequently supplemented by Communication “A” 7629, 7638 and 7643) which introduced various amendments regarding access to the FX Market to make payments for imports of goods and services, respectively (hereinafter, and together with its supplements, “Communication A 7622”).

Communication A 7622 provides that, as from October 13, 2022, access to the FX Market to make payments for imports of goods may be granted to transactions associated with a declaration in the Argentine Import System (“*SIRA*”, for its acronym in Spanish) to the extent that:

- (a) The payment is made once the term in calendar days has expired, counted as from the date of registration of the customs entry of the goods;

- (b) The payment is made by means of exchange and/or arbitration against a local account in foreign currency of the customer and the SIRA declaration states that such option would be used; or
- (c) When it is verified that the transaction is validated in the Single Current Account for Foreign Trade (*Cuenta Corriente Única de Comercio Exterior*) computer system implemented by AFIP and the payment falls under any of the situations provided for in Section 8 of the aforementioned rule;
- (d) the payment is included by the client within the amount available in each calendar year, up to the equivalent of US\$50,000, to make payments of imports of goods in advance, on sight or deferred before the deadline foreseen in the SIRA declaration.

The possibility of using this annual limit shall be subject to its validation by the Single Current Account for Foreign Trade system.

Entities shall verify the requirements foreseen for each type of import payment, including those contemplated in item 3.16. of the FX Regulations, except for those referring to the provisions of sections 10.11. and 10.14. and item 2.1. of Communication A 7532.

Communication A 7622 provides that access to financial entities to cancel obligations arising from letters of credit or guaranteed letters issued or granted on or after October 17, 2022, in the framework of an import transaction for which a SIRA declaration is required, shall be conditional upon the institution having documentation proving, at the time of opening or issuance by the institution, that the conditions detailed in Section 4 of the rule were complied with.

Finally, Section 9 of Communication A 7622 establishes several situations that will allow access to the FX Market prior to the payment term authorized in the SIRA declaration:

- (i) access with funds originating from a financing of imports of goods granted by a local financial institution from a foreign credit line, provided that the maturity of the financing is equal to or later than the estimated date of arrival of the goods in the country plus the term provided in the SIRA declaration plus 15 calendar days;
- (ii) access to make a deferred payment to cancel a commercial debt for the importation of goods with a foreign financial institution and the maturity date of the debt is equal to or later than the estimated date of arrival of the goods in the country at the time the financing is granted plus the term provided for in the SIRA declaration *plus* 15 calendar days; or to the payment term authorized in the SIRA declaration;
- (iii) the importer has a certification of increase of exports of goods for the amount for which it intends to access;
- (iv) in the case of payments for imports of goods made by: (i) the national public sector, (ii) all business organizations, regardless of their corporate form, in which the National State has a majority shareholding in the capital or in the formation of corporate decisions and (iii) trusts constituted with contributions from the national public sector;
- (v) access simultaneously with the liquidation of funds in the form of advances or pre-financing of exports from abroad or pre-financing of exports granted by local financial institutions with funding in foreign credit lines, and to the extent that the conditions set forth in sections 9.5.1., 9.5.2. and 9.5.3. of the regulation are met;
- (vi) it is a payment with pending customs registration for an operation for which the presentation of a declaration in the SIRA or SIMI is not a requirement for the registration of the customs entry of the goods, to the extent that such goods are included in the situations provided for in Section 8 of Communication "A" 7622 and the conditions provided for in each case are met; or
- (vii) it is a payment of goods under the Import Regime for Inputs Destined to Scientific and Technological Research (*Régimen de Importaciones para Insumos Destinados a Investigaciones Científico-*

Tecnológicas) of Law No. 25.613 that is made before the minimum access date required; to the extent that the customer has the certificate of the Registry of Scientific and Technological Organisms and Entities (ROECyT) issued by the Ministry of Science, Technology and Innovation of the Nation for those goods.

Payment for services provided by non-residents

Pursuant to section 3.2 of the FX Regulations, entities may access the FX Market to make payments for services rendered by non-residents as long as they have documentation to support the existence of the service.

In the case of commercial debts for services, access may be granted as from the due date, provided that it is verified that the operation is declared, if applicable, in the last due presentation of the survey of external assets and liabilities (*relevamiento de activos y pasivos externos*). The prior approval of the BCRA shall be required for access to the FX Market to pre-cancel debts for services.

Likewise, in order to make payments for services to related counterparties abroad, the BCRA's prior approval will be required, except for certain exceptions provided for in the FX Regulations.

In addition to the above, on June 27, 2022 the BCRA issued Communication "A" 7532, which, as amended by Communication "A" 7606 dated September 15, 2022, incorporated as an additional requirement for customer transactions covered by the Integrated Monitoring System for Foreign Payments of Services (SIMPES) or the entity's own transactions for the concepts for which the declaration in said system is required for customers, that the entity may only provide access to the FX Market to the extent that any of the following conditions are met:

- (a) the entity has an affidavit from the client stating that the cumulative amount, including the payment intended to be made, of the payments made by the client through FX Market for the items of services covered by the SIMPES, in the current calendar year and in the set of entities, does not exceed the amount arising from considering the following: i) the proportional part, accrued up to and including the current month, of the total amount of the payments made by the importer during the year 2021 for all the items covered. In the event that the latter amount is less than US\$50,000, the latter amount or the annual limit, whichever is lower, shall be adopted. ii) minus the amount outstanding to date for letters of credit or guaranteed bills of exchange issued in its name by local financial institutions for the importation of services.
- (b) the payment falls under the mechanisms provided for in items 3.18. and 3.19.
- (c) the payment corresponds to items 'S08. Insurance premium' and 'S09. Payment of claims'
- (d) the payment is made 180 calendar days after the date of the effective provision of the service.
- (e) the client accesses simultaneously with the settlement of a new financial indebtedness abroad with an average life of not less than 180 days and at least 50% of the capital matures after the date of effective provision of the service plus a term of 90 days.
- (f) the customer accesses with funds originating from a financing of imports of services granted by a local financial institution from a commercial credit line from abroad with an average life of not less than 180 days and at least 50% of the capital of the financing has a maturity date after the date of effective provision of the service plus a term of 90 days.

Finally, it should be noted that Section 3 of Communication A 7622 establishes that in those cases where access to the FX Market to make payments for services rendered by non-residents requires the presentation of a declaration made through SIMPES is approved, the entities may also accept the presentation of a declaration made in the Argentine System of Imports and Payments of Services Abroad ("SIRASE") in the aforementioned status.

Foreign financial indebtedness

As mentioned above under "*Specific Provisions for Inward Remittances – Foreign financial indebtedness*" in order for resident debtors to have access to the FX Market to repay foreign financial indebtedness disbursed as of September 1, 2019, the loan proceeds must have been settled through the FX Market and the operation must have been declared under the Foreign Assets and Liabilities Reporting Regime.

Until December 31, 2022, prior BCRA approval is required in order for local residents to access the FX Market to make principal payments under cross-border financial indebtedness with related parties (unless the loan proceeds were settled through the FX Market after October 1, 2020, and the loan has an average life of at least two years).

Section 3.17 of FX Regulations establishes that debtors with scheduled principal payments maturing between October 15, 2020 and December 31, 2023 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, had to submit a refinancing plan to the BCRA in line with the following criteria (the “Refinancing Plan”):

- debtors were given access to the FX Market on the original maturity dates to make payments of net principal amounts not exceeding 40% of the principal amounts due; and
- 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 years.

Further, 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

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\$2,000,000 (two million U.S. dollars) per calendar month, and (iv) indebtedness originated as from January 1, 2020 and whose funds have been deposited and settled in the foreign exchange market; (v) indebtedness originated on or after January 1, 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 (vi) 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.

Foreign financial indebtedness principal and services prepayment:

- access to the FX Market up to 45 calendar days prior to the maturity date for the payment of principal and services of 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 Section 3.17 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;
- 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
- concerning scheduled principal repayments maturing between October 15, 2020 and December 31, 2023: (a) the 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 3.6.1.3 of the FX Regulations, (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, and (c) the debtor has a certificate of increase of exports issued pursuant to Section 3.18 of the FX Regulations.

In line with the BCRA, 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 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. 861 provided for mandatory compliance with certain conditions to consider that the public offering requirement has been met.

To the extent that the BCRA's prior approval requirement is in force for access to FX Market for the cancellation at maturity of principal and interest on foreign financial indebtedness, this requirement shall not apply to the extent that all of the following conditions are met:

- the funds have been used to finance projects within the framework of the Gas.Ar Plan;
- the funds have been repatriated and settled through the FX Market as from November 16, 2020; and
- the average life of the indebtedness is not less than two years.

Prepayment of financing denominated in foreign currency granted by local financial institutions

The BCRA'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.

Payments of local debt securities denominated in foreign currency among residents

Section 3.6 of the FX Regulations prohibits access to the FX Market for the payment of debts and other obligations in foreign currency between residents, entered into after September 1, 2019. However, it sets as exceptions the cancellation as from their maturity of principal and interest of:

- Financing in foreign currency granted by local financial entities (including payments for consumption in foreign currency through credit cards).
- Obligations in foreign currency between residents instrumented through public registries or deeds as of August 30, 2019.
- Issuances of debt securities made on or after September 1, 2019, for the purpose of refinancing foreign currency obligations between residents instrumented through public registers or deeds as of August 30, 2019, and that entail an increase in the average life of the obligations.
- Payment, at maturity, of principal and interest services under new issues of debt securities made as of November 29, 2019, with public registration in the country, denominated and payable in foreign currency in the country, to the extent that: (i) they are denominated and subscribed in foreign

currency, (ii) the respective principal and interest services are payable in the country in foreign currency and (iii) the totality of the funds obtained with the issuance are settled through the foreign exchange market.

- The issues made as from October 9, 2020, of debt securities with public registration in the country, denominated in foreign currency and whose services are payable in foreign currency in the country, to the extent that their average life is not less than two years and their delivery to creditors has allowed reaching the refinancing parameters set forth in Section 3.17 of the FX Regulations.
- The issues made as from January 7, 2021 of debt securities with public registration in the country denominated in foreign currency and whose services are payable in foreign currency in the country, to the extent that they were delivered to creditors to refinance pre-existing debts with an extension of the average life, when it corresponds to the amount of capital refinanced, interest accrued up to the refinancing date and, to the extent that the new debt securities do not mature before 2023, the amount equivalent to the interest that would accrue until December 31, 2022 on the indebtedness that is refinanced early and/or on the deferral of the refinanced principal and/or on the interest that would accrue on the amounts so refinanced.

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 as of September 1, 2019 is subject to prior approval from the BCRA. With regard to existing transactions as of such date, access shall be granted, 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.

Payments of principal under debts with related counterparties until December 31, 2023

The BCRA'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 December 31, 2023, pursuant to Section 3.5.7 of the FX Regulations. Such requirement shall not apply to the local financial institutions' own transactions.

Section 3.5.4 of the FX Regulations 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 two years.

Access to the FX Market for the payment of new issuances of debt securities

Residents are authorized to access to the FX Market for the payment of principal and services of foreign-denominated debt securities publicly registered abroad when the debtor has settled through the FX Market an amount equivalent to the nominal value of the foreign indebtedness.

The amount required to be settled through the FX Market could take into account the debt securities publicly registered abroad issued to refinance pre-existing debt by extending its average life as of January 7, 2021, (i) for an amount equivalent to the refinanced principal, (ii) for the interest accrued up to the date of the refinancing; and (iii) provided that the new securities do not have principal maturities schedule within two years, the interest that would accrue during the first two years for the refinanced indebtedness and/or by the deferment of the refinanced principal and/or by the interest which would accrue on the amounts refinanced.

Duly registered securities that are denominated and payable in foreign currency in Argentina

In accordance with Section 2.5 of the FX Regulations, resident debt issuers shall be granted access to the FX Market for the payment at maturity of principal and interest under 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) provided that the proceeds from the issuance are previously settled through the FX Market.

However, the settlement of the proceeds from the issuance shall not be required as a condition for the future access to the FX Market, provided that certain conditions are met (i.e., the proceeds are deposited in local foreign currency-denominated bank accounts within the period established for the settlement of the proceeds, and the proceeds are simultaneously applied to operations that for which access to the FX Market would be granted, and the mechanism is tax neutral, among others).

Access to the FX Market by non-residents

In accordance with Section 3.13 the FX Regulations, prior approval by the BCRA 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 US\$100, to the extent the financial entity can verify in the online system implemented by the Argentina Central Bank that the client has settled an amount equal or higher than the sum to be purchased within 90 days prior to the operation; (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; and (g) repatriations of direct investments of non-residents in companies that are not controlling companies of local financial entities, to the extent that the capital contribution has been entered and settled through the FX Market as of October 2, 2020 and the repatriation takes place at least two years after its entry.

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 foreign assets' formation, family assistance or derivative operations (with some exceptions expressly set forth) for up to US\$200 (through debits to local bank accounts) or US\$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, general requirements detailed under section "*Specific Provisions Regarding Access to the FX Market - General Requirements*" apply.

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.

The relevant institution shall check the online system implemented by the BCRA 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."

Access to the FX Market by other residents -excluding entities- for the formation of foreign assets and for derivatives transactions

Section 3.10 of the FX Regulations sets forth that access to the FX Market for the constitution of foreign assets and for derivatives transactions by local governments, mutual funds, other universalities established in Argentina, requires prior authorization by the BCRA.

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.

Derivatives transactions

Section 3.12 of the FX Regulations requires that as of September 11, 2019, settlement of futures transactions in regulated markets, forwards, options, and any other type of derivatives, entered into in the country to be made in local currency (i.e., Pesos).

Likewise, access to the FX Market shall be granted for the payment of premiums, creation of guarantees and payments in connection with interest rate hedge agreements entered into by residents and foreign creditors that are reported and validated, as applicable, under the Foreign Assets and Liabilities Reporting Regime, provided that such collateral does not cover higher risks than the external liabilities 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 file an affidavit undertaking to repatriate and settle the funds payable to it as a result of such transaction or as a result of the release of the collateral money, within five business days following the date such payment or release occurs.

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:

- The dividend payment must result from closed and audited financial statements
- 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.
- If applicable, the Foreign Assets and Liabilities Reporting Regime shall have been complied with.
- The company is in one of the following situations and meets all the conditions stipulated in each case:
 - a. It records direct investment contribution settled as of January 17, 2020. In this case, (i) 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; (ii) the access will only be granted after a period of not less than 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; and (iii) 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.
 - b. Profits generated in project under the "Gas Plan." In this case, (i) profits generated by foreign direct investment contributions entered and settled through the FX Market as from November 16, 2020, destined to the financing of projects framed within the "Plan de promoción de la producción del gas natural argentino – Esquema de oferta y demanda

2020-2024” established in Section 2 of Decree No. 892/20; (ii) the access to the FX Market occurs no earlier than two years from the date of settlement in the FX Market of the contribution that allows the framing in this item 2; and (iii) the client must submit documentation supporting the definitive capitalization of the contribution.

Other Specific Provisions

Special regime for financings under Gas Plan IV

Section 3.5.5 provides that to the extent that the BCRA prior approval requirement is in force for access to the FX Market for the cancellation at maturity of principal and interest of financial indebtedness abroad, this requirement shall not apply to the extent that all of the following conditions are met:

- the destination of the funds has been the financing of projects framed in the “Plan de Promoción de la Producción del Gas Natural Argentino–Esquema de Oferta y Demanda 2020-2024” established in Section 2 of Decree No. 892/20;
- the funds have been deposited and settled through the FX Market as from November 16, 2020; and
- the indebtedness has an average life of not less than two years.

Section 3.13.2 provides that entities may grant access to the FX Market, without the prior consent of the BCRA, 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:

- the institution has documentation that proves the effective inflow of the direct investment in the resident company;
- 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;
- 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.

Special regime under the investment promotion regime for exports set forth by Decree No. 234/21

On April 8, 2021, the BCRA issued Communication “A” No. 7259, incorporated in the FX Regulations in Section 7.10, that states that proceeds of exports of goods under the investment promotion regime for exports set forth by Decree No. 234/21 (the “Promotion Regime”) might be applied, in the terms set by its regulators, to the following transactions: a) Payment of principal and interests of debts arising from import 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 uses shall be admitted to the extent that the following conditions are met:

- The amount applied does not exceed 20% of the amount in foreign currency corresponding to the permit of export whose charges are applied.
- The amount does not exceed 25% of the gross amount of foreign currency settled through the FX Market for financing the project that generated the applied exports. This gross amount will be calculated based on the foreign currency settled through the FX Market as of April 7, 2021,

as (i) foreign financial debts and (ii) foreign direct investments. The settlements through the FX Market can only be computed after a year has elapsed since such settlement was carried out.

- Exporters who opt for this mechanism must designate a local financial institution to monitor the project included in the Promotion Regime.

Furthermore, Section 7.10.3 provides that the eligible export products that cannot be applied simultaneously to the admitted uses may remain deposited until their application in foreign correspondent accounts of local financial entities and/or in local accounts in foreign currency of local financial entities. In the event that the application has not taken place at the time of the expiration of the term for the liquidation of the export products of the corresponding export permit, the exporter may request the control entity to extend the term until the date on which it considers that the application will take place.

As for Section 7.10.4, it states that the cases provided for in point 1) of Article 8° bis incorporated by Decree No. 836/21 to Decree No. 234/21, may apply for two consecutive calendar years for each calendar year in which the benefit was not used, up to 40% of the value of the permits shipped during the years in which the extended benefit is used, to the extent that the annual amount applied does not exceed the equivalent of 40% of the gross amount of foreign currency entered to finance the development of the project that generates the exports applied. This option will be available after the second calendar year has elapsed from the first foreign currency inflow that initiates the project. Such period may be computed as part of the period of non-utilization that gives rise to the use of the extended benefit. In addition to what is established in the first paragraph of point 7.10.3. the funds may also remain in bank accounts of foreign financial entities that are not incorporated in countries or territories where the recommendations of the Financial Action Task Force (*Grupo de Acción Financiera*) do not apply or are not sufficiently applied.

Finally, Section 7.10.5 establishes that the cases foreseen in point 2) of Section 8° bis incorporated by Decree No. 836/21 to Decree No. 234/21, may apply during two consecutive calendar years for each calendar year in which the benefit was not used, up to 60% of the value of the permits shipped during the years in which the extended benefit is used, to the extent that the annual amount applied does not exceed the equivalent to 60% of the gross amount of the foreign currency entered to finance the development of the project that generates the exports applied. This option will be available after the second calendar year has elapsed from the first foreign currency inflow that initiates the project. Said period may be computed as part of the period of non-utilization that gives rise to the use of the extended benefit. In addition to the provisions of the first paragraph of point 7.10.3., funds may also remain in bank accounts of foreign financial institutions that are not incorporated in countries or territories where the recommendations of the Financial Action Task Force are not applied or are insufficiently applied.

Swap, arbitrage and securities transactions

Financial institutions may perform currency swap and arbitrage operations with their customers in the following cases:

- an individual transferring funds from their local accounts (which are already in foreign currency) to their own bank accounts outside Argentina.
- the transfer of foreign currency abroad by local common depositaries of securities in connection with income received in foreign currency on account of the servicing of principal and interest on Argentine Treasury bonds, when such transaction is part of the payment procedure at the request of foreign common depositaries;
- 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 files 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;
- 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 BCRA's prior approval, up to the amount allowed for the use of cash under items 3.8. and 3.13 of the FX Regulations;

- swap and arbitrage transactions by non-residents individual may be made without restrictions to the extent that the funds be credited in a “*Caja de ahorro para turistas*” in accordance with the “*Depositos de ahorro, cuenta sueldo y especiales*” regulations;
- all other swap and arbitrage transactions may be made by customers without the BCRA's prior approval to the extent that they would be allowed without need of such approval in accordance with other FX 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 Argentine pesos under the scope of Communications “A” 6937, “A” 6993, “A” 7006, “A” 7082 of the 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.

Export proceeds to guarantee new indebtedness

Foreign Exchange Regulations Section 7.9.5 allows proceeds from exports of goods and services held in local or foreign financial institutions to guarantee the payment of new indebtedness that have complied with the repatriation and liquidation obligation, beginning January 7, 2021. The funds in these accounts may not exceed at any time 125% of the principal and interest payable in the current month and the following six calendar months, in accordance with the payment schedule agreed with the creditors. Funds in excess of such amount must be repatriated and settled through the foreign exchange market subject to applicable 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.

Securities-related Operations

Pursuant to General Resolution No. 895/2021 of the Argentine Securities Commission (CNV, per its acronym in Spanish), sales of securities with settlement in foreign currency and in a foreign jurisdiction may be carried out, provided that a minimum holding period of two business days is observed from the date such securities are credited with the relevant depositary. With respect to sales of securities with settlement in foreign currency carried out locally, the minimum holding period will be one business day from the date on which such securities were credited with the relevant depositary. These minimum holding periods shall not be applicable in the case of purchases of securities with settlement in foreign currency.

In addition, transfers of securities to foreign depositaries purchased with Argentine Pesos shall comply with a minimum holding period of at least two business days beginning as from the date the deposit of such securities, 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. Brokers and trading agents must verify compliance with the aforementioned minimum holding period of the securities.

As regards incoming transfers, the FX Regulations prevent securities deals executed outside Argentina from being settled in Pesos in Argentina.

With respect to incoming transfers, CNV General Resolution No. 895/2021 establishes that securities transferred by foreign depositaries and credited with the Agente Depositario Central de Valores Negociables (ADCVN) may not be allocated to the settlement of transactions in foreign currency and in a foreign jurisdiction until two 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 one business day after such crediting into sub-account(s) in the local custodian.

CNV General Resolution No. 911/2021 establishes that in the price-time order matching segment, at the close of each calendar week the number of sales with settlement in foreign currency of securities denominated and payable in foreign currency issued by the Argentine Republic in accordance with local laws may not exceed 50,000 nominal amounts with respect to the amount of securities purchased with settlement in such currency.

In order to enter into transactions of securities with settlement in foreign currency not covered by the abovementioned provisions, or to transfer securities from or to foreign depository entities in the price-time priority order matching segment, one must not performed sales with settlement in foreign currency in the same segment, of securities denominated and payable in in foreign currency, issued by the Argentine Republic under local law, in the previous 30 days and to undertake not to do so in the 30 days subsequent to the settlement.

In addition, (i) any beneficiaries of refinancing under point 1.1.1. of the rules on “Financial services in the context of a health emergency Financial Services within the framework of the sanitary emergency provided by Decree No. 260/2020 Coronavirus (COVID-19),” until their total cancellation; (ii) the beneficiaries of “Credits at Zero Rate,” “Credits at Zero Rate 2021,” “Credits at Zero Rate Culture” or “Credits at Subsidized Rate for Companies,” provided for in items 1.1.2. and 1.1.3. of the rules on “Financial Services within the framework of the sanitary emergency provided for by Decree No. 260/2020 Coronavirus (COVID-19),” until their total cancellation; (iii) the beneficiaries of financing in Pesos within Section 2 of Communication “A” 6937, Sections 2 and 3 of Communication “A” 7006, as supplemented; until their total cancellation; (iv) the beneficiaries of Section 2 of Decree No. 319/2020 and complementary and regulatory norms, for the duration of the benefit with respect to the update of the value of the installment; and (v) those persons covered by the Joint Resolution of the President of the Honorable Senado de la Nación and the President of the Honorable Cámara de Diputados de la Nación No. 12/2020 of October 1, 2020, will be prevented from selling securities issued by residents to be settled in foreign currency in Argentina or transferring such securities to foreign depositories or swap securities issued by residents for foreign assets or the acquisition in the country with settlement in Pesos of securities issued by nonresidents.

Access to the FX Market for the constitution of guarantees

Residents with foreign financial indebtedness under Section 9.1 of the FX Regulations or local trusts created to guarantee principal and interest payments of such indebtedness may access the FX Market for the constitution of guarantees in connection to new indebtedness entered into as of January 7, 2021, in accordance with Section 7.9.6 of the FX Regulations. 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:

- 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
- 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.

Argentine Central Bank's Reporting Systems

Advance information on foreign exchange transactions

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 “Foreign Assets and Liabilities Reporting Regime”). Under such regime, Argentine residents (both legal entities and individuals) having foreign debt (both financial and otherwise) that is

outstanding or that has been cancelled within a given calendar quarter, are required to report to the BCRA on a quarterly basis their foreign holdings of shares and other equity participations, non-negotiable and negotiable debt securities, financial derivatives, and real estate. If their balance of foreign assets and liabilities equals or exceeds US\$50 million at the end of the calendar year, they must also file an annual presentation. In all cases, such reports qualify as “sworn statements” for foreign exchange purposes.

Access to the FX Market for repayment of external financial indebtedness and other transactions are conditioned to the debtor’s compliance with the Foreign Assets and Liabilities Reporting Regime. Please see “— *Specific Provisions for Inward Remittances —Foreign financial indebtedness*” above.

Moreover, the institutions authorized to deal in foreign exchange shall provide the BCRA, at the end of each business day and two business days in advance, with information on outflows transactions through the FX Market in daily amounts equal to or in excess to the equivalent of US\$50,000. Clients shall inform financial entities sufficiently in advance so that they can 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.

Foreign Exchange Criminal Regime

Foreign exchange regulations are characterized as “public policy” rules in Argentina. Failure to comply with such provisions could result in penalties pursuant to Foreign Exchange Criminal Law No. 19,359.

Notwithstanding the abovementioned measures adopted by the current administration, the Central Bank and the federal government may impose additional exchange controls in the future that may further impact our ability to transfer funds abroad and may prevent or delay payments that our Argentine subsidiaries are required to make outside Argentina.

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 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 group of 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 (i) is not regarded as resident of Mexico under current domestic tax laws, and (ii) is not a non-Mexican resident with a permanent establishment in Mexico for tax purposes.

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 Administrative Tax Regulations 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 would be 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 should be issued under the name of the depository 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 depository 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 that are U.S. companies 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 (e.g., *Bolsa Mexicana de Valores* or *Bolsa Institucional de Valores*) would be 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 should withhold 10% tax on the capital gain derived from the transaction.

Considering that our series A shares underlying the ADSs are registered with the RNV, the sale or disposition of ADSs would not be subject to Mexican income tax if (i) the transaction is carried out through NYSE or other recognized markets as defined in the Mexican Federal Tax Code, and (ii) the International Holder is a tax resident of a country with which Mexico has in force a treaty for the avoidance of double taxation.

Deposits and withdrawals of series A shares by International Holders in exchange for ADSs and the surrender of ADRs to the depository for exchanging ADRs for uncertificated ADSs should 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 should 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.

Tax impact of the Labor Reform

Mexican tax provisions prohibit the tax deduction of payments related to services companies under the concept of subcontracting or outsourcing, or specialized services from contractors that do not have the authorization from the Ministry of Labor and Social Welfare. Specialized services cannot (a) include activities equal or similar to the activities performed by the employees of the contracting party, or (b) cover the main economic activity of the contracting party.

Payments or consideration made for the subcontracting of personnel will not be considered as strictly necessary expenses, therefore, they will not be deductible for income tax purposes, nor creditable for value added tax. In addition, the tax provisions disallow any tax effects to the specialized services paid when they are carried out by the provider's personnel that originally used to be employed by the beneficiary and were transferred by any legal means from the service provider to the beneficiary.

Note that pursuant to the labor reform, for Mexican entities to deduct payments for subcontracting specialized services, and credit the VAT related to such payments, the Mexican entity requires to receive certain documentation from the specialized service provider. Under the terms of the labor reform, the tax authorities may impose fines ranging from approximately US\$9,100 to US\$18,300 to the specialized service providers that fail to deliver the documentation for each obligation to deliver information not complied with. Furthermore, the labor reform establishes that Mexican entities subcontracting personnel will be joint and severally liable with the contracting party for the employment-related taxes triggered by the employees associated to the services or works rendered.

It is important to note that using deceptive practices to conceal the provision of subcontracting personnel would constitute tax fraud.

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 our series A 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 depository 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 depository 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 our current expectations regarding the value and nature of our assets and the sources and nature of our income, we do not believe that we were a PFIC for our 2022 or 2021 taxable years, and 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.

Subject to generally applicable limitations and conditions, Mexican withholding tax on dividends paid at the appropriate rate applicable to the U.S. Holder may be eligible for a credit against such U.S. Holder's U.S. federal income tax liability. These generally applicable limitations and conditions include new requirements recently adopted by the IRS, and any Mexican tax will need to satisfy these requirements in order to be eligible to be a creditable tax for a U.S. Holder. In the case of a U.S. Holder that is eligible for, and properly elects, the benefits of the U.S.-Mexico Tax Treaty, the Mexican tax on dividends will be treated as meeting the new requirements and therefore as a creditable tax. In the case of all other U.S. Holders, the application of these requirements to the Mexican tax on dividends is uncertain, and we have not determined whether these requirements have been met. If the Mexican tax on dividends is not a creditable tax for a U.S. Holder or the U.S. Holder does not elect to claim a foreign tax credit for any foreign income taxes paid or accrued in the same taxable year, the U.S. Holder may be able to deduct the Mexican tax in computing such U.S. Holder's taxable income for U.S. federal income tax purposes. Dividend distributions with respect to our series A shares or ADSs will constitute income from sources without the United States and, for U.S. Holders that elect to claim foreign tax credits, generally will constitute "passive category income" for foreign tax credit purposes.

The availability and calculation of foreign tax credits and deductions for foreign taxes depend on a U.S. Holder's particular circumstances and involve the application of complex rules to those circumstances. U.S. Holders should consult their own tax advisers regarding the application of these rules to their particular situations.

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 any holder of our shares or ADSs has the right to receive cash or property instead, in which case the U.S. Holder will generally 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.

Capital gain or loss recognized by a U.S. Holder on the sale or other disposition of the series A shares or ADSs generally will be U.S. source gain or loss for U.S. foreign tax credit purposes. Under the new foreign tax credit requirements recently adopted by the IRS, any Mexican or Argentine tax imposed on the sale or other disposition of the series A shares or ADSs generally will not be treated as a creditable tax for U.S. foreign tax credit purposes. If the Mexican or Argentine tax is not a creditable tax, the tax would reduce the amount realized on the sale or other disposition of the shares even if the U.S. Holder has elected to claim a foreign tax credit for other taxes in the same year. U.S. Holders should consult their own tax advisers regarding the application of the foreign tax credit rules to a sale or other disposition of the series A shares or ADSs and any Mexican or Argentine tax imposed on such sale or disposition.

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% 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%.

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.

Based on our financial statements and our current expectations regarding the value and nature of our assets and the sources and nature of our revenue, we do not believe that we were a PFIC for our 2022 or 2021 taxable years, and we do not anticipate becoming a PFIC for our current taxable year or in the foreseeable future. However, the determination whether we are a PFIC must be made annually based on the facts and circumstances at that time. Accordingly, we cannot be certain that we will not be a PFIC for the current year or 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% 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.

Individual 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 \$75,000 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. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in “specified foreign financial assets” based on objective criteria. U.S. Holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. 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 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 Caceis México, S.A., Institución de Banca Múltiple, 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.

ADS holders may be unable to exercise voting rights with respect to the shares underlying the ADSs at our shareholders' meetings, and preemptive rights may be unavailable to non-Mexican holders of ADSs. Mexican law governs shareholder rights. The depositary will be the holder of the series A shares underlying the ADSs. Registered holders of ADSs, have ADS holder rights. A deposit agreement among us, the depositary, ADS holders, and all other persons indirectly holding or beneficially owning ADSs sets out ADS holder rights as well as the rights and obligations of the depositary. New York law governs the deposit agreement and the ADSs. To exercise any shareholder rights directly, ADSs holders need to surrender their ADSs to become a direct shareholder.

Depositary Fees and Expenses

<i>Persons depositing or withdrawing shares or ADS holders must pay:</i>	<i>For:</i>
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, 2022, 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, 2022.

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, 2022, 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 IFRS as issued by the IASB, and it includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions, dispositions of our assets, and treasury policies; (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, 2022, 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 2022, the Company completed the third 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 6—Directors, Senior Management and Employees—Board of Directors—Pierre-Jean Sivignon.”

ITEM 16B. CODE OF ETHICS

We have adopted a code of ethics and conduct (“Code of Ethics and Conduct”) 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.vistaenergy.com. We did not modify or amend our Code of Ethics and Conduct during the year ended December 31, 2022. In addition, we did not grant any waivers to our Code of Ethics and Conduct during the year ended December 31, 2022.

Our Code of Ethics and Conduct defines the way in which we conduct our businesses, and it is designed to help us comply with our obligations, to respect one another at the workplace and to act with integrity in the market. Our Code of Ethics and Conduct 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 maintaining a business, influencing business decisions or receiving an unfair advantage.

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 EY accounting member firms involved in the PCAOB audit (collectively, “EY”) during the fiscal years ended December 31, 2022 and December 31, 2021:

	2022	2021
	<i>(in thousands of US\$)</i>	
Audit fees	628	564
Audit-related fees	98	17
Tax fees	122	118
All Other Fees	—	—
Total fees	848	699

Audit Fees. Audit fees in the above table are the aggregate fees billed by EY 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 Ernst & Young, 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

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (a)
January 2022	—	—	—	—
February 2022	—	—	—	—
March 2022	—	—	—	—
April 2022	—	—	—	—
May 2022 (from 05/10 to 05/31)	1,135,847	\$8.74	1,135,847	\$ 13,858,911
June 2022 (from 06/1 to 06/24)	1,698,316	\$8.33	1,698,316	\$ 27,238
July 2022	—	—	—	\$ 27,238
August 2022	—	—	—	\$ 27,238
September 2022	—	—	—	\$ 27,238
October 2022	—	—	—	\$ 27,238
November 2022	—	—	—	\$ 27,238
December 2022 (from 12/14 to 12/22)	400,000	\$13.78	400,000	\$ 20,140,886

- (a) On April 26, 2022, the Company's shareholders approved the creation of a share repurchase fund for US\$23.80 million. Subsequently, on December 7, 2022, the Company's shareholders approved the increase of such repurchase fund for US\$25.60 million, based on the Company's unconsolidated financial statements. During the year ended December 31, 2022, the Company repurchased an aggregate amount of 3,234,163 series A shares for a total amount of US\$29.30 million, which as of the date of this annual report are reserved in treasury. All repurchases were made pursuant to above mentioned share repurchase program. On April 24, 2023, the Company's shareholders approved the increase of such share repurchase fund to US\$50.00 million. The program expires after fiscal year 2024.

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.
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.	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.
	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.	
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.

Section	NYSE Corporate Governance Rules	Mexican Corporate Governance Rules
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.	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.

As a foreign private issuer, we are required to comply with Section 303A.12.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16L. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

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.

- 2.1 Form of Deposit Agreement among Vista Energy, S.A.B. de C.V. (formerly know as 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 Energy, S.A.B. de C.V. (formerly know as 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 Energy, S.A.B. de C.V. (formerly know as Vista Oil & Gas, S.A.B. de C.V.), Vista Energy Holding I, S.A. de C.V. (formerly know as Vista Oil & Gas Holding I, S.A. de C.V.), and Vista Energy Holding II, S.A. de C.V. (formerly know as 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”) (included as Exhibit 4.1 of Vista’s Form 20-F filed with the SEC on April 30, 2020 and incorporated by reference herein).

- 4.2 Guaranty to the Credit Agreement, dated July 19, 2018, among Vista Energy, S.A.B. de C.V. (formerly know as 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 Energy Holding II, S.A. de C.V. (formerly know as 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).

- 4.5 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).

- 4.6 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).

- 4.7 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).

- 4.8 Amended and Restated Long Term Incentive Plan as approved by the Compensation Committee of the Board of Vista on February 22, 2023.

- 8.1 List of Subsidiaries.

- 12.1 Certification of Miguel Galuccio of Vista Energy, 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 Energy, 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 Letter dated April 24, 2023, prepared by DeGolyer and MacNaughton.

- 15.2 Consent Letter of the Registered Public Accounting Firm.

- 99.1 Reserves Report dated February 1, 2023, prepared by DeGolyer and MacNaughton.

- 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 Energy, 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 24, 2023