



# Calidda's Q4 2020 Results

March 10<sup>th</sup>, 2020



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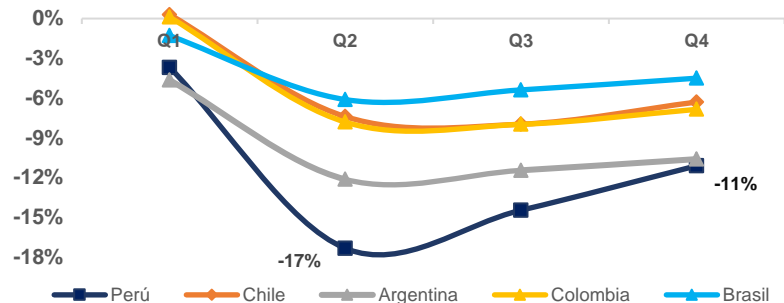
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# 01 | Key Updates and Results

# 1 Key Updates and Results – COVID-19

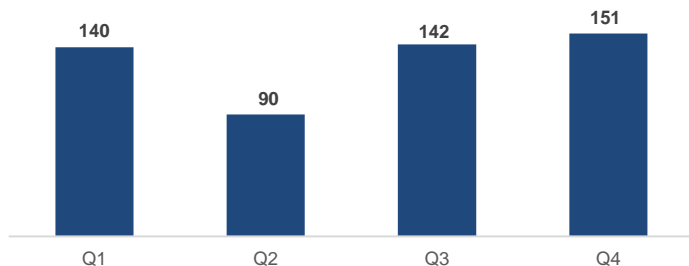


## Gross Domestic Product (Cumulative percentage change)



Source: Central banks of each country, World Bank.

## Regulated Volumen (MMCFD)



### Cálidda

**Cálidda recibe crédito de US\$ 100 millones de BID Invest para expandir distribución de gas natural en Lima y Callao**

Préstamo se destinará a financiar la conexión de gas natural a más de 180.000 familias durante los años 2020 y 2021, informó Cálidda.



### ¡Abrimos nuestro nuevo CSC de Comas!

Reafirmamos nuestra Pasión por el Cliente al abrir el nuevo Centro de Servicio al Cliente de Comas, el cual atenderá a nuestros usuarios de los distritos de Comas, Carabaylo, Puente Piedra, Ventanilla y Ancón. De esta manera, más de 190.000 usuarios se beneficiarán con nuestras amplias y cómodas instalaciones donde seguiremos brindando una atención ágil y segura en plataforma, caja y showroom de ventas.

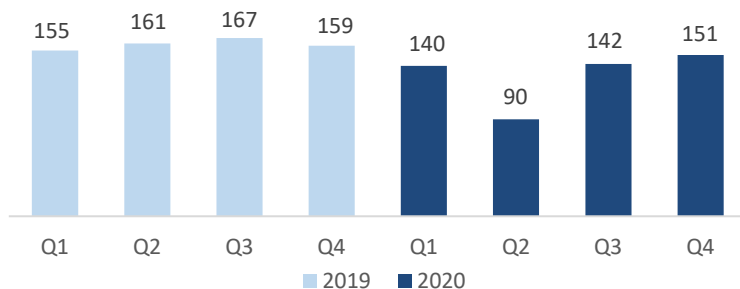


¡Muchas gracias a toda la familia Cálidda que ha sido parte de este importante hito!

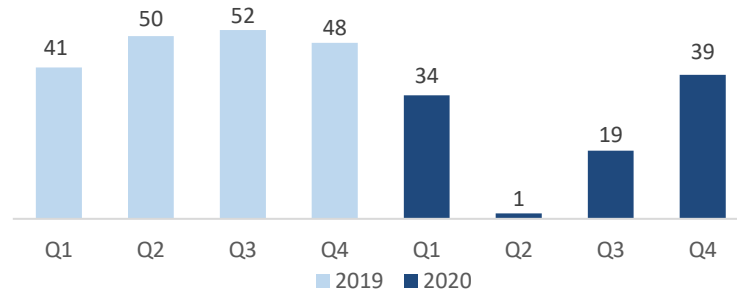
# 1 Key Updates and Results – COVID-19



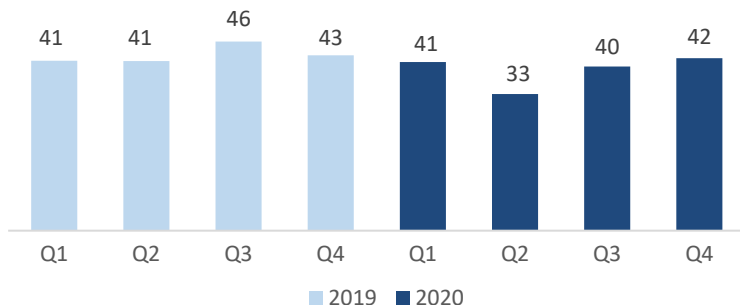
### Regulated Volumen (MMCFD)



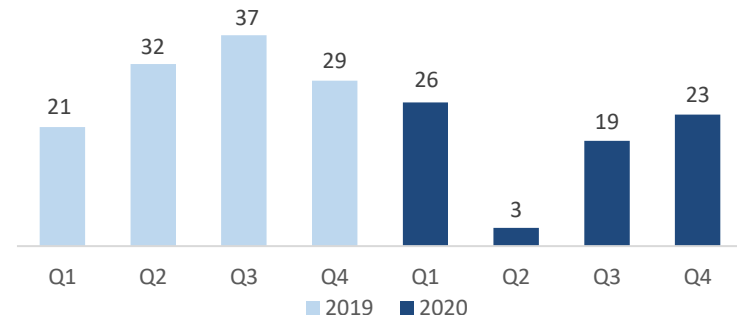
### Connections (thousands)



### EBITDA (MMUSD)



### CapEx (MMUSD)



# 1 Key Updates and Results – COVID-19



## Clients

1 Million

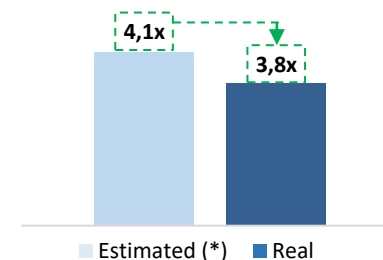
Alberto L. Barton  
Thompson  
hospital.



## Credit Ratings

International:	2019	2020
S&P:	BBB-	BBB-
Fitch:	BBB	BBB
Moody's:	Baa2	Baa2
Local:		
Moody's:	AAA.pe	AAA.pe
Class:	AAA	AAA

## Debt/EBITDA



(\*) Estimated in April 2020

Key Operational Results	Q4 2020	Q4 2019	Var %
Accumulated Clients	1,046,067	952,682	10%
Invoiced Volume (MMCFD) <sup>1</sup>	709	784	-9%
Network Length (km)	12,144	11,166	9%
Potential Clients <sup>2</sup>	1,161,763	1,080,943	7%
Network Penetration <sup>3</sup>	90%	88%	-

Key Financial Results	Q4 2020	Q4 2019	Var %
Revenues (USD MM)	571	718	-20%
Adj. Revenues <sup>4</sup> (USD MM)	250	308	-19%
EBITDA (USD MM)	156	171	-9%
Adjusted EBITDA Margin <sup>5</sup>	62%	55%	-
Net Income (USD MM)	70	83	-16%
Interest Coverage <sup>6</sup> (x)	6.7x	8.4x	-

1) MMCFD = Million cubic feet per day.

2) Number of clients which are located in front of the existing distribution network of Calidda.

3) Network Penetration = Accumulated clients / Potential clients

4) Adjusted Revenues = Revenues less pass-through concepts, such as natural gas, transport of natural gas and IFRIC 12 (investments in the distribution network).

5) Adjusted EBITDA Margin = EBITDA / Adjusted Revenues

6) Interest Coverage = EBITDA / Interests from debt

# 1 Key Updates and Results – COVID-19

## Support for the Fight Against COVID-19

- ✓ Continuous supply of NG in the 1,096 departments of the Pan American Village, where the Temporary Attention and Isolation Center for patients with Covid-19 operates.
- ✓ Continuous supply of NG to 12 health institutions.



## Social and Cultural Support

- ✓ 21,168 benefited through “Voluntades Caliddas” with training, hygiene kits, development of social projects.
- ✓ 72,000 people benefited through 854 community kitchens with access to NG.
- ✓ 600 archaeological contexts excavated due to our Program for Sustainable Management of Cultural Heritage.



## Corporate Governance and Sustainability

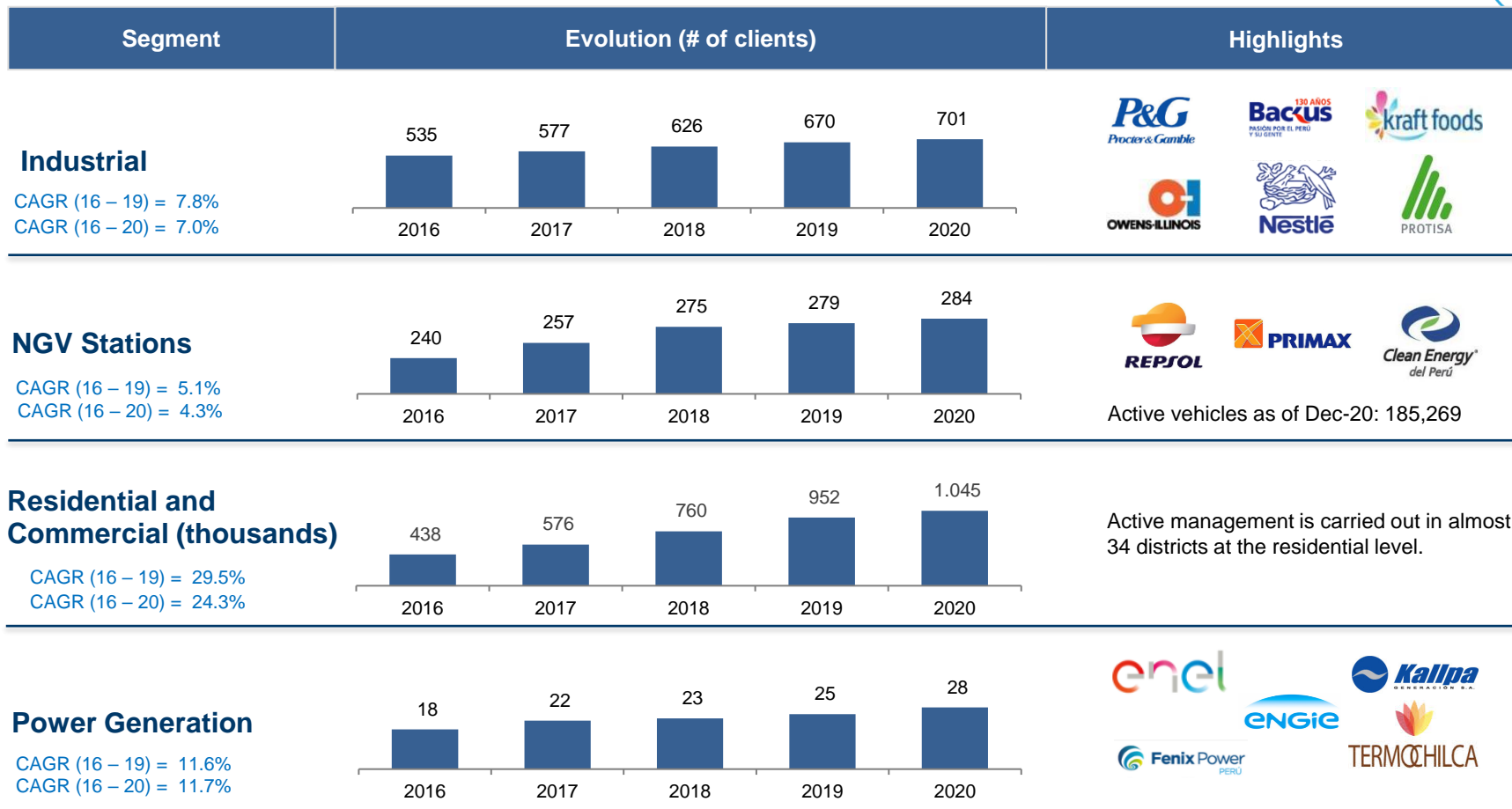
- 100% of the planned Corporate Governance activities were fulfilled.
- The emission of 3.8 million tons of CO2 was avoided.
- 1,220 carbon credits were acquired from the Nii Kaniti-Alianza Forestal project to reduce our environmental impact.





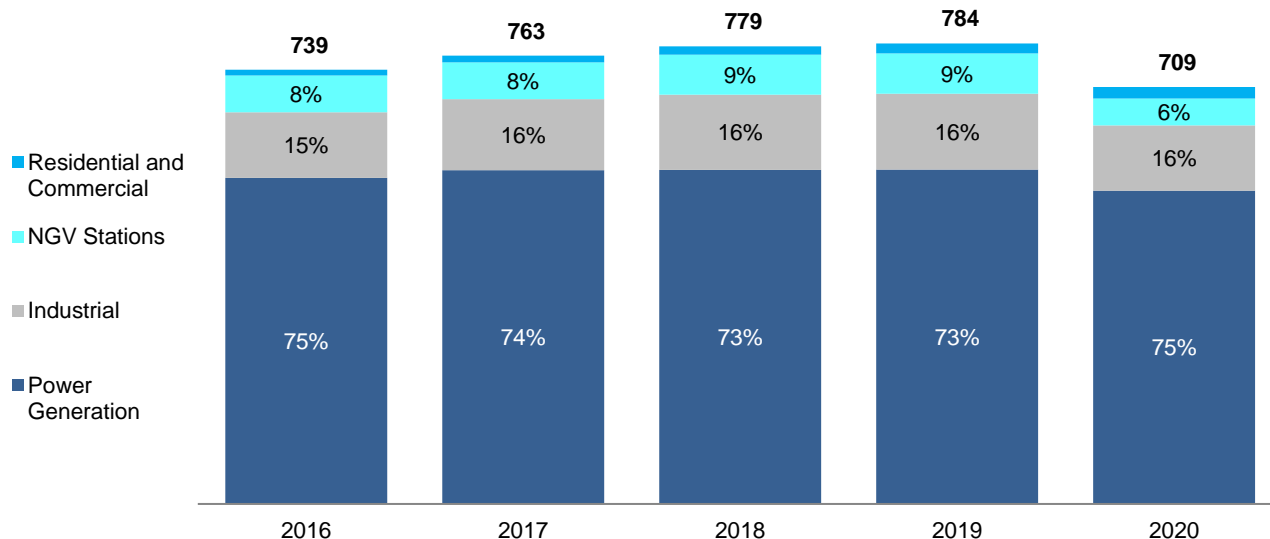
# 02 | Commercial Performance

## 2 Solid Base of Clients with upward trend



## 2 Upward Trend of Invoiced Volume

(Amounts expressed in MMCFD)



- 80% of the invoiced volume comes from Take-or-Pay long term contracts with 16 clients.
- Contract's average remaining life is 12 years, and amount 568 MMCFD.



Power Generation  
525 MMCFD



Industrial  
43 MMCFD

- At the end of 2020, the volume invoiced was reduced by 9.5% vs. the previous year mainly due to the lower demand in the NGV and industrial sector as a result of the mandatory quarantine due to COVID-19, reached the lowest point in April. However, in the second half of the year there is a notable recovery due to the end of the mandatory quarantine on July 1 and the reopening of economic sectors.

# 2 Historic Invoiced Volume per Client Segment

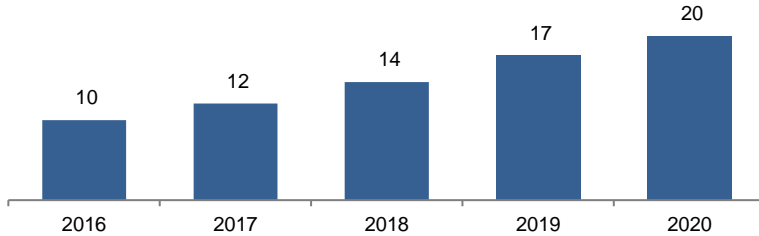
(Amounts expressed in MMCFD)



## Residential & Commercial

CAGR (16 – 19) = 21.7%

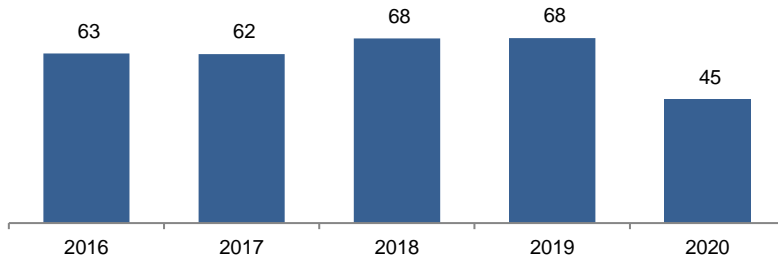
CAGR (16 – 20) = 19.7%



## NGV Stations

CAGR (16 – 19) = 3.0%

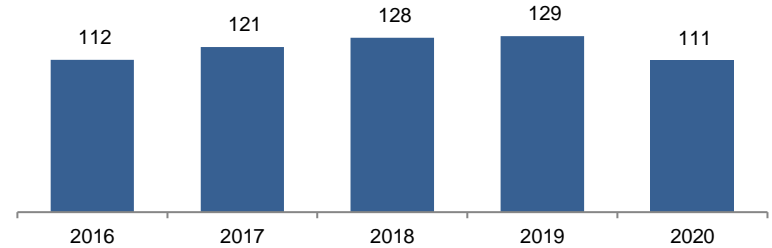
CAGR (16 – 20) = -7.7%



## Industrial

CAGR (16 – 19) = 4.9%

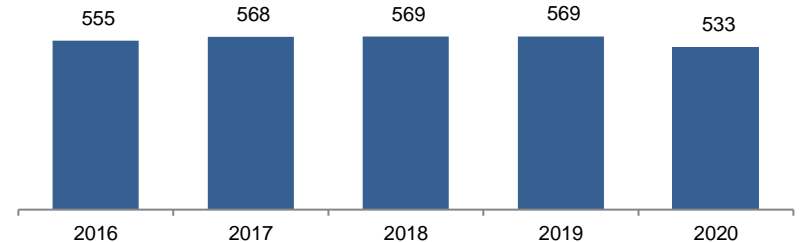
CAGR (16 – 20) = -0.1%



## Power Generation

CAGR (16 – 19) = 0.9%

CAGR (16 – 20) = -1.0%

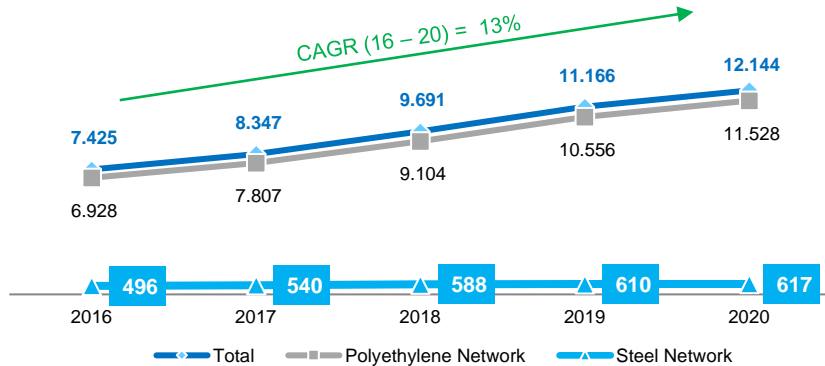


# 03 ▶ Operational Performance

# 3 Large Distribution System with Improving Penetration Index

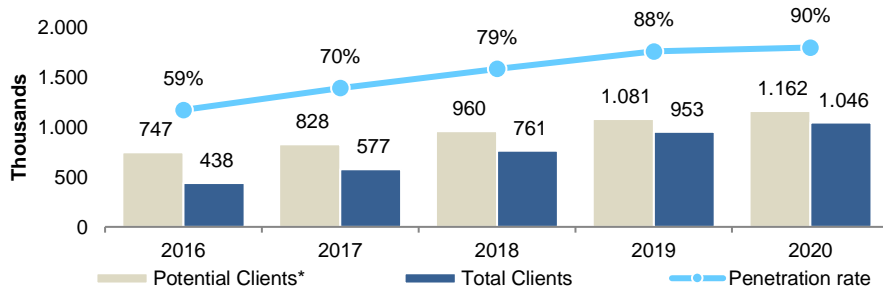


## Distribution System (km)



- At the end of 2020, Cálidda's distribution system consists of 12,144 km of underground networks, the length of which has grown at an annual rate of 13% in the last 4 years.
- During Q4 2020, Cálidda built 300 km of low-pressure polyethylene networks.

## Client's progress and penetration ratio<sup>1</sup>



- The network penetration ratio has increased by 31 percentage points during the last four years, reaching 90% at the end of 2020. This is explained by Cálidda's business strategy of providing energy solutions to its customers, supported by programs of subsidies implemented by the government, and the care of saving thanks to NG as a result of its competitiveness against other substitute fuels.

<sup>1</sup>) Penetration Rate = Total Clients / Potential Clients \*  
 (\*) Clients who are adjacent to Cálidda's distribution network.

# 04 Financial Performance

# 4 Sound and Controlled Financial Indicators

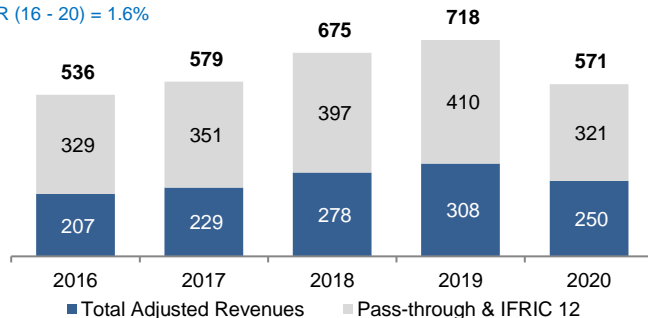


(Amounts expressed in USD MM; last twelve months as of Q4 2020)

## Total Revenues

CAGR (16 - 19) = 10%

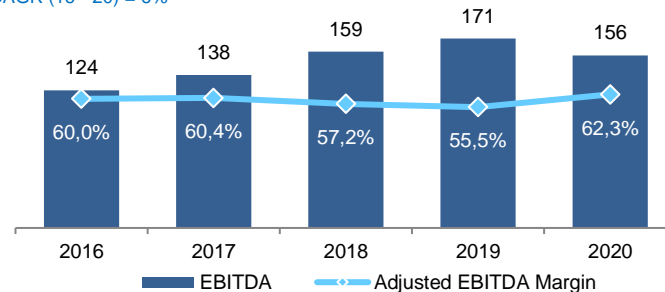
CAGR (16 - 20) = 1.6%



## EBITDA & Adj. EBITDA Margin (%)

CAGR (16 - 19) = 11%

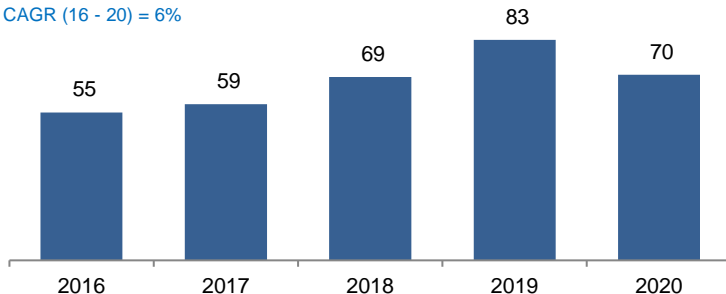
CAGR (16 - 20) = 6%



## Net Income

CAGR (16 - 19) = 14%

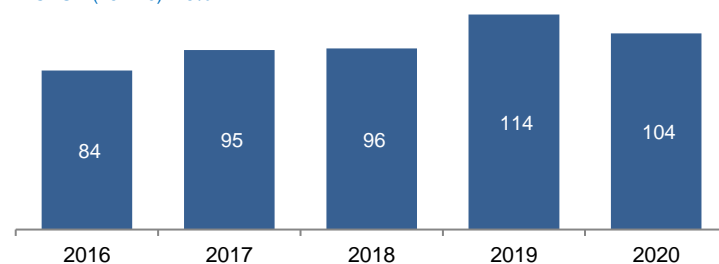
CAGR (16 - 20) = 6%



## Funds From Operations<sup>1</sup>

CAGR (16 - 19) = 11%

CAGR (16 - 20) = 5%



1/ Funds From Operations (FFO) = Net Income + Depreciation & Amortization

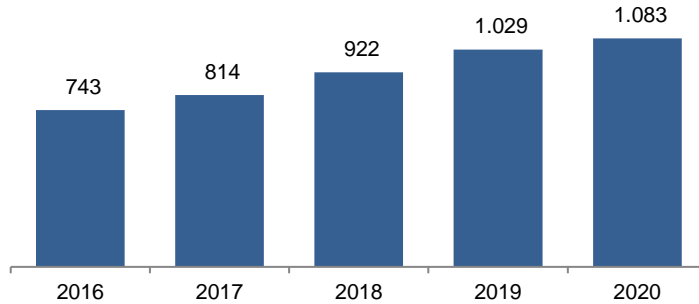


# 4 Sound and Controlled Financial Indicators

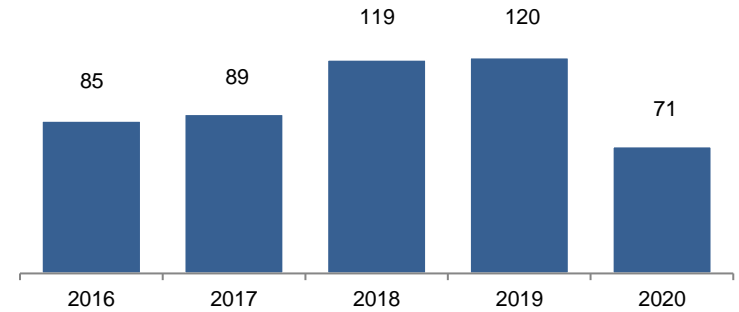
(Amounts expressed in US\$ MM; last twelve months as of Q4 2020)



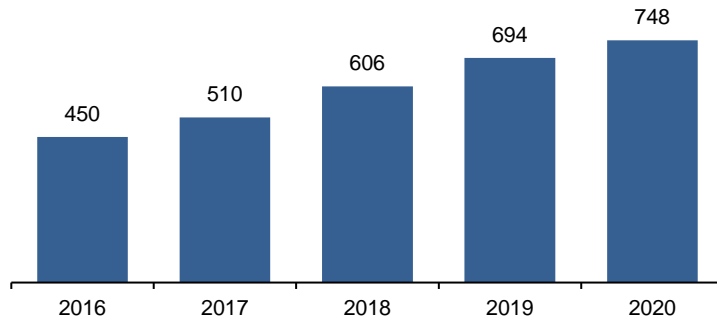
## Total Assets



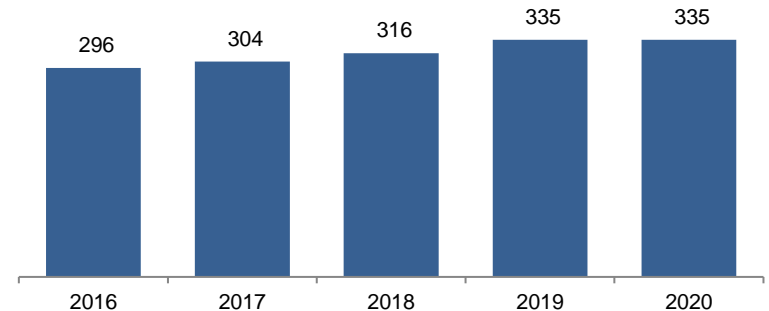
## CapEx



## Liabilities



## Equity

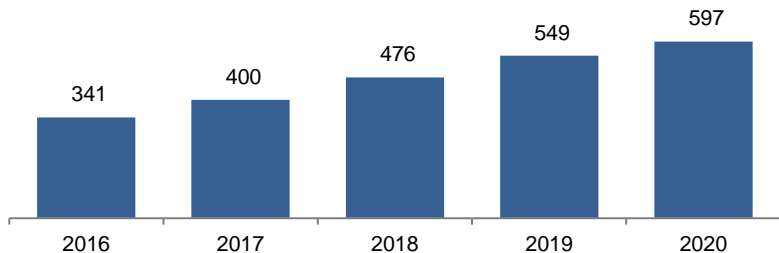


# 4 Sound and Controlled Financial Indicators

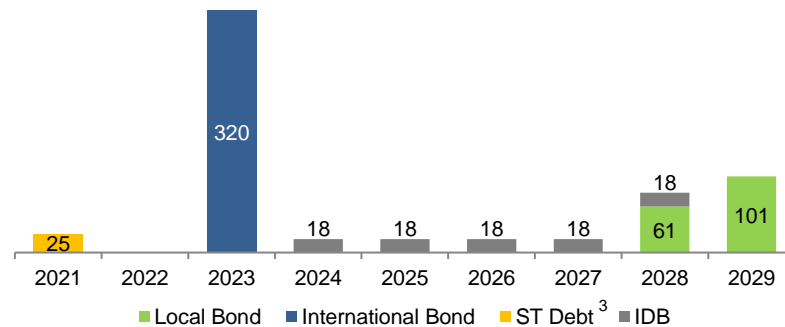
(Amounts expressed in US\$ MM; last twelve months as of Q4 2020)



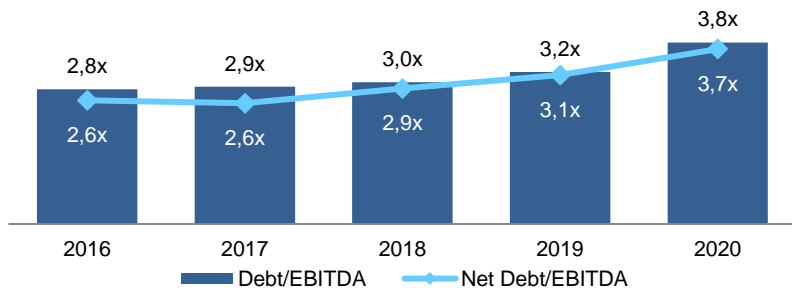
## Total Debt<sup>1</sup>



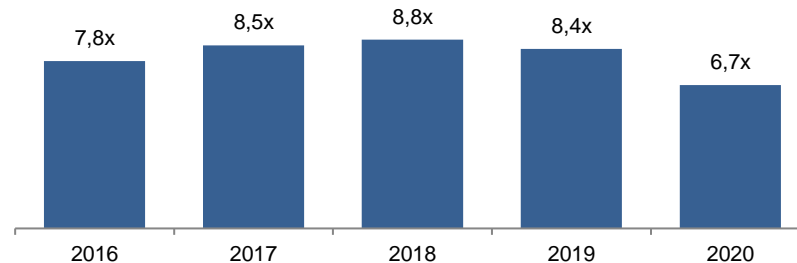
## Debt Maturity<sup>2</sup>



## Debt<sup>4</sup> & Net Debt<sup>5</sup> / EBITDA



## Interest Coverage<sup>6</sup>



1/ Total Debt includes short-term debt of 32 MMUSD

2/ Includes medium and long-term amortizations.

3/ Debt maturing in March and April 2021

4/ The financial Debt includes short-term facilities

5/ Net Debt = Financial Debt – Cash

6/ Interest Coverage = EBITDA / Accrued interests

# 05 ▶ Outlook to 2021

# 5 Key results for 2021



## Connections



**200,000**  
New  
1.25mm in Total

## EBITDA



**US\$ 170 mm**

## Debt/EBITDA



**3.8x**

Regulated Monopoly

Stable Regulatory Framework

National Strategic Importance

### Strengths



NG Competity vs. Sustitutes

Leading Economic Group in the Sector

Stable and Predictable Flows

# 06 ▶ Conclusions

# 07 | Q&A

# A Shareholders with Extensive Experience in Energy Markets



## Stock Control: 60% of property over Calidda

- Leading energy company with businesses in the electricity and NG sectors in Colombia, Peru, Guatemala and Brazil.
- Founded in 1896, and controlled by the District of Bogotá since 1956, with a 65.7% ownership stake.
- Leader in the Energy Sector: major player in the transmission and distribution of electricity and natural gas.
- Valid Rating:** BBB (IDR) – Fitch Ratings, BBB (International) - AAA (Col) – Fitch Ratings.

### Controlled Investments



### Non-Controlled Investments



## Stock Control: 40% of property over Calidda

- One of the largest distribution and transportation companies of NG in Colombia.
- Founded in 1974 by the government of Colombia. Currently controlled by Grupo Aval.
- Main operator in the distribution of NG in Colombia through Gases de Occidente, Surtigas and Gases del Caribe, and participates in the power distribution in Colombia.
- GEB has 15.2% ownership stake in Promigas<sup>1</sup>.
- Valid Rating:** BBB- (IDR) – Fitch Ratings, AAA(Col) – Fitch Ratings.

### Controlled Investments



### Non-Controlled Investments



<sup>1</sup> In December 2019, the council of administration decided to reclassify the investment in Promigas from "Asset available for sale" to "associate investment"

# A Calidda's Adjusted Revenues Composition



## Distribution of the Adjusted Revenues (%) – Q4 2020

<b>Distribution service</b>	Main operative income of Calidda which is generated by the distribution of natural gas through underground pipelines to different kinds of clients.	74%
<b>Connection services</b>	Operative income which is paid by the consumer for the internal installation of pipelines needed to achieve the connection to the natural gas network. Includes revenues from the facility's financing.	12%
<b>Connection fees</b>	One time fee which is paid by the new clients when connected to Calidda's natural gas network.	5%
<b>Other services</b>	Operative income which mainly comes from network relocation services and other services.	9%

## Pass-Through Concepts

<b>Sell and transport of natural gas</b>	Pass-through income related to the acquisition and transportation of natural gas which are transferred to the final consumer.
<b>Revenues of network expansion</b>	Pass-through income related to the investments executed by Calidda in order to expand the distribution network.

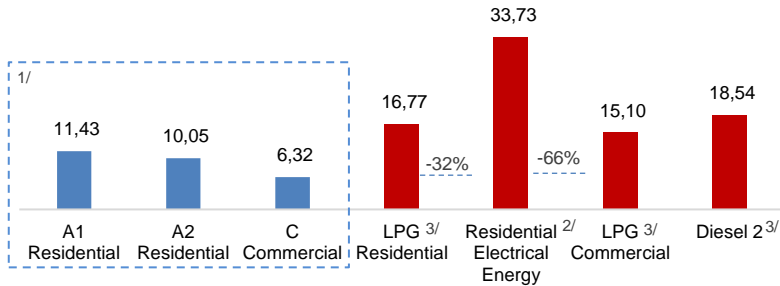




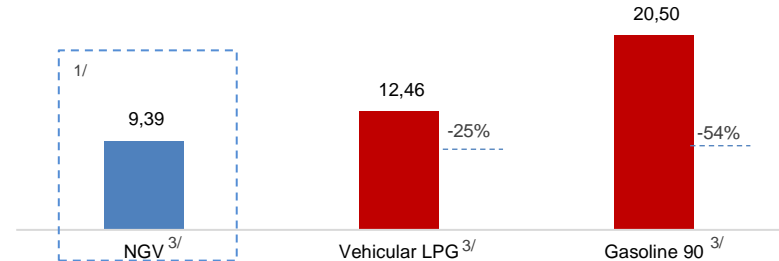
# Competitiveness: Calidda's Final User GN Tariffs vs. Alternatives as of Q4 2020



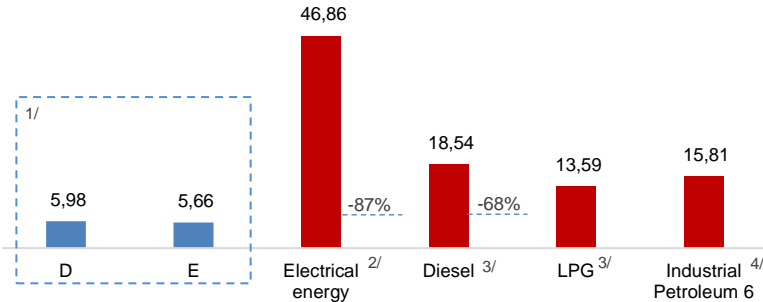
## Residential & Commercial (US\$/MMBTU)



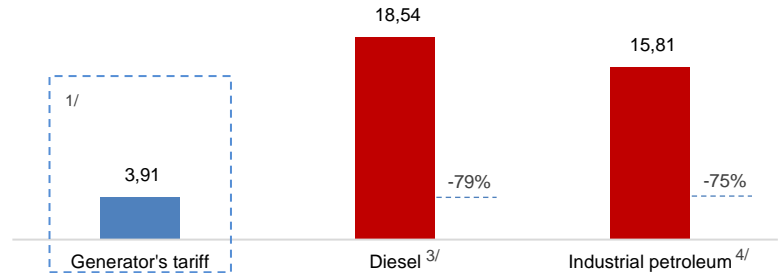
## NGV Stations (US\$/MMBTU)



## Industrial (US\$/MMBTU)



## Power Generation (US\$/MMBTU)



Source:

1/ NG Tariff: According to the distribution tariff sheet as of Dec-20.

2/ Tariff to the BT5B consumer Residential and Non-Residential from Luz del Sur as of Dec-20.

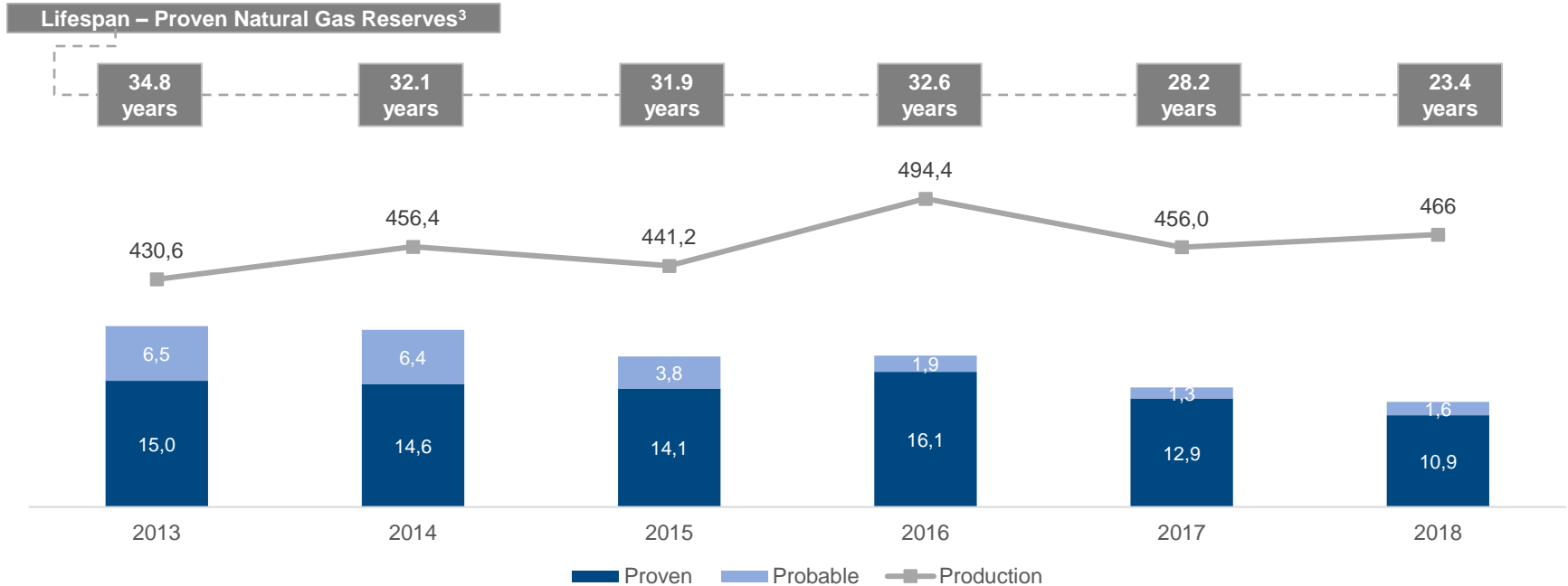
3/ Source: FACILITO (Osinermin) as of Dec-20.

4/ According to Petroperu ex-plant as of Dec-20.

# A Natural Gas Reserves Ensure the Sustainability of Calidda



■ Natural Gas Reserves trend (thousands of trillions of cubic feet)<sup>1</sup> and Production<sup>2</sup> (thousands of millions of cubic feet) in Peru.



1) Source: Ministry of Energy and Mine, up to Dec. 18.

2) Source: Perupetro, up to Dec. 18.

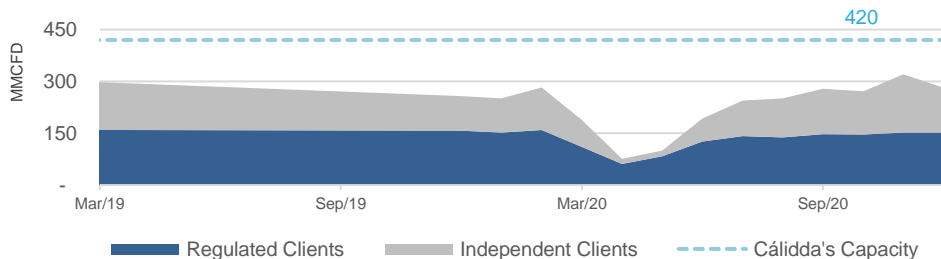
3) Lifespan of Proven reserves = Proven reserves / Production of natural gas. The estimation accounts the natural gas reserves and production of the same year.

# A

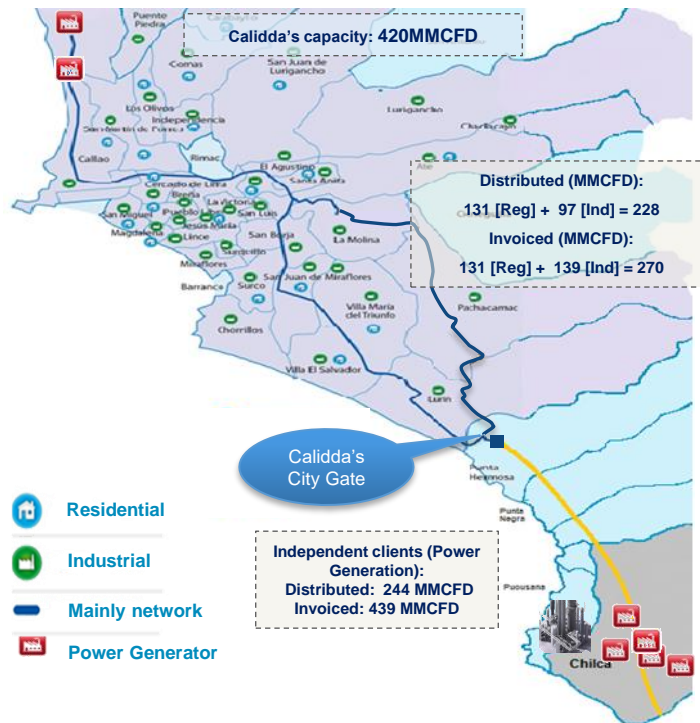
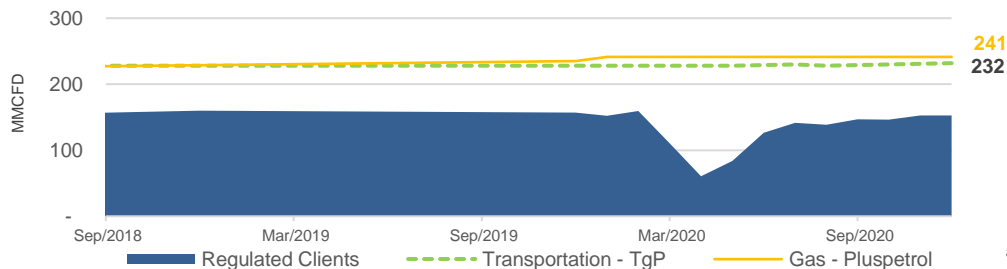
# Natural Gas Distribution and Transportation Capacity

Clients are divided in two groups: (i) Independent Clients, which consume more than 1 MMCFD and sign separated contracts of natural gas (NG) supply, transportation and distribution services, and (ii) Regulated Clients, which consume less than 1 MMCFD and only sign a contract with Calidda, who then provides NG distribution service and acts as an intermediary to supply NG and transportation services.

- At the end of Q4 2020, our Regulated and Independent customers consumed, on average, about 228 MMCFD, equivalent to 54% of our natural gas distribution capacity (Lurín-Ventanilla).



- Over the same period, Regulated clients consumed around 131 MMCFD, equivalent to 56% of the total contracted supply and 57% of transportation volume of natural gas<sup>1</sup>.



<sup>1</sup>/ Contracted volume takes into consideration fixed (Take-or-Pay) and non-fixed (interruptible) contracted capacity.



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