Results Report
1Q21

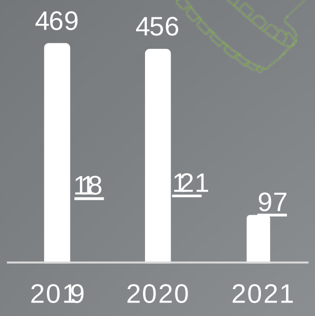
TGI
GrupoEnergíaBogotá

Results

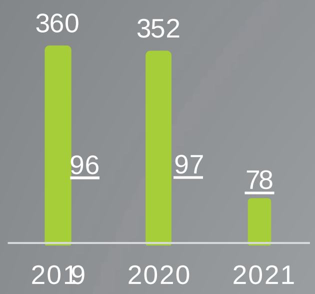
Highlights

1Q21

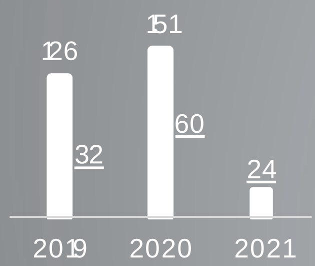
Revenue
(USD mm)



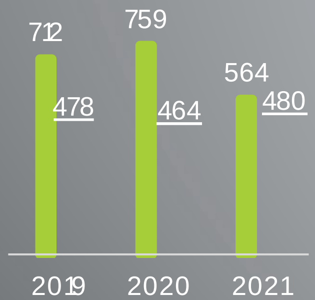
EBITDA
(USD mm)



Net Income
(USD mm)



Firm contracted capacity And transported volume
(Mcfd)



Underline figure: transported volume

TGI makes progress in its year of transformation through 4 strategic pillars

- Efficiency: We maintained our EBITDA margin at 80% after efficiency efforts aimed at protecting our cash generation.
- Expansion: i) We initiated our demand incentives strategy (cogeneration/substitution industrial cases), ii) we completed the due diligence of the Regasificadora del Pacífico (Feb-21) and iii) we finished the last milestone of the Cusiana Phase IV project with the start-up of the El Porvenir-Miraflores Loop (Mar-21).
- Innovation: Creation of the Vice-Presidency of Transformation through the reorganization of work teams.
- Regulation: Initial estimate, product of CREG Resolution 004, indicates that the WACC for Gas Transportation may be double digit (Feb-21).
- Sustainability: i) TGI ranked second in the general audit ranking carried out by Veeduría Distrital, ii) Great Place to Work: TGI obtained the highest index that has been historically registered since the beginning of its measurement in 2008, the best score of the GEB companies and iii) we started with the rural gasification project that benefits 738 families.

Table N°1 – Relevant financial indicators	1Q20	1Q21	Var	Var %
Revenue (USD thousand)	120.783	96.640	-24.143	-20,0%
Operating income (USD thousand)	73.850	53.738	-20.112	-27,2%
EBITDA (USD thousand)	96.654	77.743	-18.911	-19,6%
EBITDA Margin	80,0%	80,4%	0,4 pp	
Net income (USD thousand)	60.214	23.762	-36.453	-60,5%
Gross Total Debt / EBITDA*	3,1x	3,4x	0,25x	
EBITDA* / Financial Expenses*	5,2x	4,7x	-0,44x	
International credit rating:				
Fitch – Corporate Rating– Sep. 29 | 20:		BBB, stable		
Moody's – Corporate Rating – Jul. 24 | 20:		Baa3, stable		

Natural gas market in Colombia

- Domestic natural gas demand decreased 21,4% (-225,1 GBTUD) during 1Q21, explained by: i) a slowdown in the industrial-refinery sector (-169,4 GBTUD), as a result of the impacts of COVID-19, and lower thermoelectric consumption due to higher hydroelectric generation (-60,7 GBTUD) ii) slightly offset by higher consumption in the Petrochemical (+47,9 GBTUD) and Residential-Commercial (+11,5 GBTUD) sectors.
- Demand from inland during the same period presented a slight drop of 2,1% (-12,7 GBTUD) as a result of: i) lower thermal consumption (-17,1 GBTUD), which was partially offset by ii) better dynamics of the Residential-Commercial sector (+7,0 GBTUD).

Table N°2 – Natural gas demand by sectors	Colombia			Inland demand		
(GBTUD)	1Q20	1Q21	Var %	1Q20	1Q21	Var %
Thermal	316	255	-19,2%	57	39	-31,2%
Residential - commercial	198	210	5,8%	161	168	4,3%
Industrial - refinery	442	273	-38,3%	312	313	0,4%
Vehicular – CNG	51	25	-50,7%	40	38	-4,0%
Petrochemical	1	48	9074,1%	1	1	2,2%
Other Consumption	45	16	-63,8%	40	39	-3,8%
Total	1053	827	-21,4%	610	597	-2,1%

Financial Results

This report presents the corresponding variations under International Financial Reporting Standards (IFRS) of the comparative financial statements for 1Q20 and 1Q21 (3 months).

Quarterly Results 1Q21

Revenue

Table N°3 – Revenue Structure	USD thousand		Var	
	1Q20	1Q21	USD	%
By type of charge				
Capacity - O&M	112.481	82.353	-30.128	-26,8%
Variable	6.594	12.775	6.182	93,8%
Other Revenues	1.709	1.512	-197	-11,5%
By Currency				
Indexed to USD	84.187	71.467	-12.720	-15,1%
Indexed to COP	36.596	25.173	-11.423	-31,2%
Total	120.783	96.640	-24.143	-20,0%

Revenues for 1Q21 decreased to USD 96,6 mm, a variation of USD -24,1 mm (-20,0%) compared to the same period of 2020 due to lower contracted capacity of the Ballena-Barranca pipeline, following the expiration in Dec-20 of 205 Mcfd of capacity that had been contracted since 2012.

Revenue breakdown by type of charge in 1Q21 is detailed as follows:

- Capacity revenues corresponding to fixed charges in USD and AO&M (85,2% of total revenues) decreased USD -30,1 mm (-26,8%) between 1Q20 (USD 112,5 mm) and 1Q21 (USD 82,3 mm), which is explained by the following factors:
  - Fixed capacity charges decreased to USD 58,3 mm, a variation of USD -19 mm (-24,6%), mainly due to: i) contractual expiration of the Ballena Barranca (USD -14,8 mm); and ii) modification of contracts that had 100%-0% charge pair for contracts with 80%-20% charge pair (USD -5,8 mm), which makes the fix component lower and the variable component higher (reason why in 1Q21 fixed charges represent a lower percentage of total revenues).
  - Fixed AO&M charges, which are remunerated in COP, decreased to COP 85.626 mm, a decrease of COP 38.778 mm (-31,2%), explained by contractual maturities. Expressed in USD, they decreased to USD 24,1 mm, a variation of USD -11,1 mm (-31,5%), of which USD -10,5 mm are explained by the Ballena-Barranca maturities.
- Variable charges (13,2% of total revenues) amounted to USD 12,8 mm, a variation of USD 6,2 mm (+93,8%), due to the modification of contracts with 100%-0% pairs of charges to contracts with 80%-20% and the associated deviations, partially offset by a lower volume transported during the quarter (see operational figures).
- Non-regulated operating revenues, classified as ancillary services (1,6% of total revenues) were USD 1,5 mm in 1Q21 (-11,5%), a decrease mainly explained by lower revenues from other non-taxed services - gas losses (USD -142 thousand) and parking services (USD -105 thousand).

Revenue breakdown by currency is as follow: USD 71,5 mm (74%) comes from USD-denominated charges (mainly fixed capacity and variable charges) and the remaining USD 25,2 mm (26%) comes from COP-denominated charges (mainly fixed AO&M charges).

- Revenues denominated in USD decreased -15,1% compared to the same period of the previous year due to a drop of USD 19 mm (-26,8%) in revenues from fixed charges in USD, following the expiration of the Ballena-Barranca contracts, partially offset by a growth of USD 6,1 mm (+93,8%) in revenues from variable charges due to the modification of the pair of charges of some contracts.
- Revenues denominated in COP fell -31,2%, mainly as a result of the maturity of the Ballena-Barranca contracts.

Operating Costs

Operating costs presented a variation of USD -6,0 mm (-14,9%) between 1Q20 and 1Q21, mainly explained by lower maintenance costs, taxes and other costs.

- Maintenance (USD -4,1 mm, -74,1%): explained by a higher cost base effect in 1Q20 of i) USD -1,3 mm of costs associated with Pipeline Integrity (inspection, diagnosis and evaluation services of cathodic protection systems of gas pipelines belonging to TGI); ii) USD -1,4mm in right-of-way maintenance; and iii) USD -1,2mm associated with the repair and replacement of coating, supply and installation of mechanical reinforcement tapes and coating repairs to restore mechanical integrity, all based on TGI's infrastructure integrity management plan.
- Other costs (USD -1,0 mm: -13,8%): i) USD -632 thousand associated with higher costs incurred in 2020, mainly for fuel gas and higher value recognized for the provision of OBA's gas costs; and ii) USD -361 thousand, associated with higher costs incurred in 2020 related to the support and maintenance of licenses required for the operation, acquisition of licenses for additional modules, communication link services and special technical services for the generation of management indicators.
- Taxes, fees and contributions (USD -419 thousand; -51,4%): due to lower execution in USD -378 thousands of CNG vehicle conversions and other minor items as a result of the solidarity contribution.

Table N°4 – Operating Costs	USD thousand		Var	
	1Q20	1Q21	USD	%
Professional Services	5.079	4.127	-952	-18,7%
Maintenance	5.581	1.448	-4.133	-74,1%
Taxes, fees and contributions	816	397	-419	-51,4%
Depreciation and amortization	21.832	22.312	480	2,2%
Other costs	7.356	6.341	-1.015	-13,8%
Total	40.663	34.625	-6.039	-14,9%

As a result of the described performance in revenues and operating costs, gross profit for 1Q21 was USD 62,0 mm, a decrease of USD -18,1 mm (-22,6%) compared to the same period of the previous year. The gross margin in 1Q21 was 64,2% compared to 66,3% in 1Q20.

Administrative & Operating Expenses (net)

Administrative and operating expenses (net of other expenses and revenues) increased USD +2,0 mm (+32,0%), from USD 6,3 mm in 1Q20 to USD 8,3 mm in 1Q21, mainly due to:

- Personal services and general expenses (USD +1,3 mm, +27,7%): i) Higher personal services expense in 2021 of USD +491 thousand, associated with a reclassification from personnel costs due to standardization of information with Grupo Energía Bogotá, therefore offset by a lower value in the cost of operations. In addition, ii) a higher value of services, fees, printing and publications for USD +670 thousand.

- Other Income decreased by USD -658 thousand (-46,4%) due to higher income from provision recoveries of USD 1,3mm associated with labor expenses in 2020, which is partially offset by income from insurance claims recoveries in 2021 of USD +636 thousand.

Operating Income

The 1Q21 gross profit result together with the higher administrative and operating expenses (net) brought the operating profit for the period to USD 53,7 mm, a drop of -27,2% compared to 1Q20 and placing the operating margin at 55,6% (-5,5 pp).

Non-Operating Result (net)

The non-operating result (net) went from USD -936 thousand in 1Q20 to USD -18 mm in 1Q21, mainly explained by:

- Foreign exchange difference (USD -17,5mm; -103,3%): due to the stability of the exchange rate between the close of 2020 fiscal year and 2021 dividend decree. On the contrary, in 2020, there was a strong devaluation at the end of 1Q20 compared to the end of 2019, which resulted in an exchange gain of USD 23 mm.

Income taxes

Income tax decreased by USD 7,2 mm (-35,6%) from 1Q20 to 1Q21, reaching USD 13 mm, as a result of a lower taxable income as a consequence of the effects explained in the operating result.

Deferred tax went from an income of USD 7,4 mm in 1Q20 to USD 956 thousand in 1Q21 (-87,1%), as a result of the variations in the calculation bases caused by the exchange rate differential on the company's liabilities and assets in foreign currency.

Net Income

Net income for 1Q21 closed at USD 23,8 mm, a decrease of USD -36,5 mm (-60,5%) and a net margin of 24,6%, affected by the operating result as a consequence of the decrease in revenues and significant reductions in income from foreign exchange differences and deferred taxes.

EBITDA

EBITDA in 1Q21 was USD 77,7 mm, which represents a decrease of USD 18,9 mm compared to 1Q20 (-19,6%). The reduction in EBITDA is explained by a drop in revenues of -20,0%, which was partially offset by a reduction of USD -5,2 mm (-21,7%) in Opex, achieving a slight increase in the margin, from 80,0% in 1Q20 to 80,4% in 1Q21.

Table N°5 – EBITDA	USD thousand		Var	
	1Q20	1Q21	USD	%
EBITDA	96.654	77.743	-18.911	-19,6%
EBITDA margin	80,0%	80,4%		0,4 pp

Debt Profile

Table N°6 – Relevant debt items	USD thousands		Var	
	Mar-20	Mar-21	USD	%
Total net debt	1.005.922	938.666	-67.255	-6,7%
Gross senior debt	761.168	755.780	-5.388	-0,7%
Total gross debt	1.131.168	1.125.780	-5.388	-0,5%
EBITDA LTM*	361.026	332.622	-28.404	-7,9%
Financial Expenses LTM*	69.512	70.036	524	0,8%
Debt ratios				
Gross total debt / EBITDA*	3,1x	3,4x	0,3x	
EBITDA* / Financial expenses*	5,2x	4,7x	-0,4x	

** Corresponds to EBITDA and financial expenses in the last twelve months (LTM)*

Financial expenses in 1Q21 amounted to USD 17,4 mm compared to USD 17,6 mm in 1Q20, representing a drop of USD 0,2 mm (-1,2%), mainly explained by lower interest expense on leasing and renting (USD -0,13 mm), as the balance of these obligations decreased from USD 6,2 mm in 1Q20 to USD 4,1 mm in 1Q21.

Table N°7 – Debt profile	Amount USD mm	Currency	Coupon (%)	Maturity
Senior - International bond	750	USD	5,55%	1-nov-28
Inter-company subordinated	370	USD	6,13%	21-dic-22
Leasing - Renting	4,1	USD	N/A	Long term
Financial liability IFRS 16	1,7	USD	8,64%	N/A

Commercial Performance

Revenue breakdown by sector

Table N°8 – Revenues Composition by sector	1Q20	1Q21
Residential-Distributor	52,9%	73,1%
Industrial	13,0%	14,3%
Vehicular	6,3%	5,0%
Commercial	6,5%	3,2%
Thermal	8,8%	2,4%
Refinery	12,5%	2,0%
Petrochemical	0%	0%
Total	100,0%	100,0%

**Due to regulatory changes, the revenues composition by sector will begin to be reported according to what is declared by customers in commercial contracts. See appendix 1 for pro-forma 2020 information.*

The residential/distribution and industrial sectors together contributed 87,4% of revenues in 1Q21. The growth in the participation of the Residential-Distribution sector is due to: i) a base effect due to lower revenues from the expiration of the Ballena-Barranca contract, which is reflected in the lower participation of the refinery, thermal and commercial sectors, and ii) to the fact that the distribution sector started to attend the refinery with its contracts.

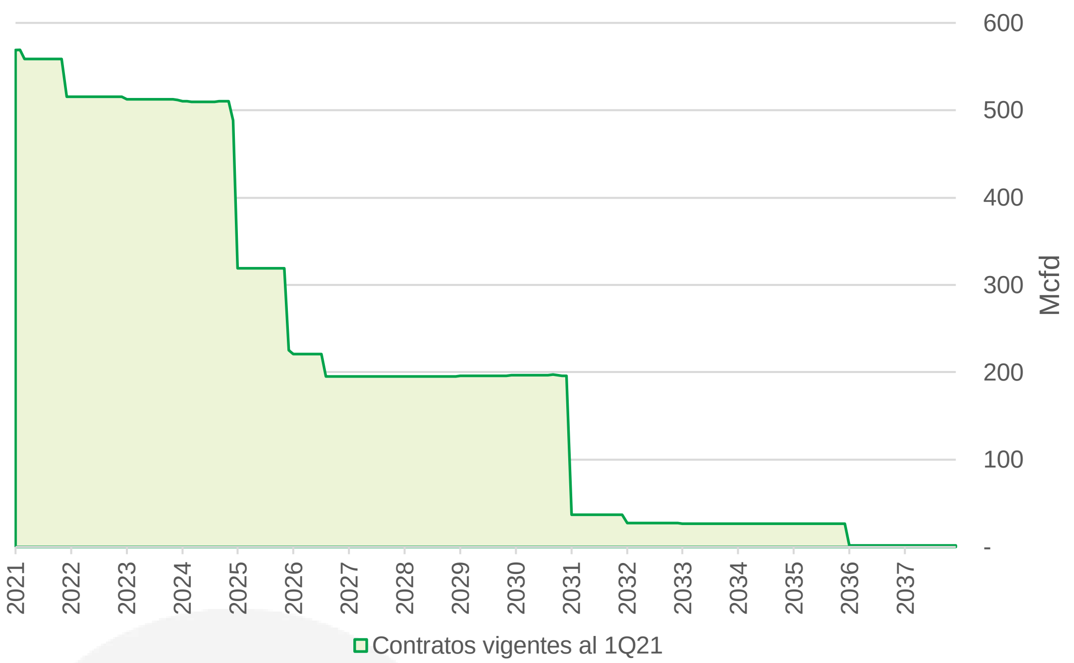
Contractual structure

Table N°9 – Contractual structure	N° Total Contracts	N° Take or Pay	N° Interruptible	Residual Life Take or Pay (average years)
Mar-20	996	930	66	6,2
Mar-21	667	666	1	5,4

Between March 2020 and March 2021, the number of contracts in force decreased from 996 to 667, due to short-term contractual maturities. At the end of 1Q21, 99,9% of the contracts were take or pay and 0,1% in interruptible modalities. On average, take or pay contracts are under a 91,7% fixed and 9% variable charge, approximately.

As of March 2021, the Company has 66,6% of its available capacity contracted, a decrease of 23,7 pp compared to 4Q20, mainly due to the contractual maturity associated the Ballena-Barranca pipeline, which was not renewed due to the low production from gas sources in La Guajira.

Graph N°1 – Residual contracted life



Operational Performance

Table N°10 – Selected operational indicators	1Q20	1Q21	Var %
Total capacity - Mcfd	837,8	849,4	1,4%
Take or pay contracted capacity – Mcfd	760	564	-25,8%
Transported volume – Average Mcfd	500,8	480,0	-4,1%
Load factor	56%	49%	-6,3 pp
Availability	100%	100%	0,0 pp
Gas pipeline length - Km	4.017	4.033	0,4%

The total length of TGI's gas pipeline network reached 4,033 Km, an increase of 0,4% explained by the incorporation of Puente Guillermo - La Belleza Loop and Porvenir - Miraflores Loop of Cusiana Phase IV project. 3,883 Km of gas pipeline are owned and operated by TGI; the remaining 150 Km, although under its control and supervision, are operated by the contractor, as established in the operation and maintenance contract. The system operates mainly with natural gas coming from the Ballena / Chuchupa and Cusiana / Cupiagua basins.

Table N°11 – Volume by transporter (Mcfd)	1Q20	Part %	1Q21	Part %	Var %
TGI	500,8	53,2%	480,0	55,7%	-4,1%
Promigas	397,3	42,2%	329,2	38,2%	-17,1%
Otros	43,5	4,6%	52,6	6,1%	21,0%
Total	941,5	100,0%	861,8	100,0%	-8,5%

In 1Q21, a decrease of -4,1% in the average daily transported volume was observed compared to 1Q20 due to the reduction in consumption as a result of the current economic situation. However, it represents a smaller drop compared to the volume transported by the system (-8,4%), which is proportionally more affected by lower refinery, industrial and thermal consumption.

Of the total volume transported in the gas pipeline network at national level, TGI continues to be the main player with 480 Mcfd, while the second is Promigas with 329,2 Mcfd (the two companies have 93,4%), which corresponds to the transport of 809,2 Mcfd.

Table N°12 – Total transportation capacity of TGI's system	Capacity Mcfd
Ballena - Barracabermeja	260
Mariquita - Gualanday	15
Gualanday - Neiva	11
Cusiana - Porvenir	470
Cusiana - Apiay	64
Apiay - Usme	18
Morichal - Yopal	12
Total	849

* *Capacity is quantified according to the sections with gas supply entry points.*

Projects in execution

Investments amounted to USD 7,4 mm during 1Q21. In Cusiana Phase IV the percentage of physical progress as of Mar-21 is 93,6% and in Replacement of Branches the percentage of physical progress is 98,5%.

Cusiana Phase IV

Description	Execution	
Increase natural gas transportation capacity by 58 Mcfd between Cusiana and Vasconia: – Construction of 38,5 Km of loops of 30" diameter – Expansion of Puente Guillermo Gas Compression Station – Modifications to Miraflores and Vasconia Gas Compression Stations	Total Capex	USD 92,3 mm
	Capex executed to date	USD 80,8 mm
	Capex executed in 1Q21	USD 7,1 mm
	Physical Progress of Project	93,6%
	Start of operations: – Station Puente Guillermo: 17 Mcfd / 2Q18 – Loop Puerto Romero – Vasconia: 46 Mcfd / 1Q20 – Loop Puente Guillermo - La Belleza: 10 Mcfd / 4Q20 – Loop El Porvenir – Miraflores: 2 Mcfd / 1Q21	

Replacement of Branches

Description	Execution	
Replacement of 4 branches for reaching their regulatory useful life in accordance with resolution CREG 126 of 2016 and 1 branch by mutual agreement: – Branch Yariguíes - Puerto Wilches – Branch – Pompeya – Branch Z. Industrial Cantagallo – Cantagallo – Branch Cantagallo – San Pablo – Branch Galán – Casabe – Yondó	Total Capex	USD 11,6 mm
	Capex executed to date	USD 11,2 mm
	Capex executed in 1Q21	USD 0,25 mm
	Physical Progress of Project	98,5%
	Start of operations: – Branch Yariguíes – Puerto Wilches: 4Q19 – Branch Pompeya: 4Q19 – Z. Industrial Cantagallo – Cantagallo: 1Q20 – Branch Cantagallo – San Pablo: 1Q20 – Branch Galán – Casabe – Yondó: 3Q20	

Regulatory Update

Table N°13 – Regulatory Update

Authority	Resolution	Scope	Status	
CREG	Resolution 001 de 2021	The mechanism for the allocation of gas transportation capacity when there is contractual congestion is regulated.	Released	View more
	Resolution 003 de 2021	Formula for the calculation of subsidies applicable to the consumption of electric energy and fuel gas through pipeline network	Released	View more
	Resolution 004 de 2021	Methodology for calculating the discount rate applicable to activities regulated by the CREG	Released	View more
	Resolution 006 de 2021	Adjustments to Resolution CREG 107 of 2017 - Natural gas supply plan.	In consultation	View more
	Resolution 007 de 2021	Adjustments to Resolution CREG 152 of 2017 - Pacific gas import infrastructure.	In consultation	View more
	Circular 018 de 2021	Socialization of the schedule of activities for the allocation of capacity when there is contractual congestion, as established in Article 10 of Resolution CREG 001 of 2021.	Released	View more
	Resolution 026 de 2021	Transitional provision for the commercialization of natural gas transportation capacity.	Released	View more
UPME	External Circular 002-2021	Publication of responses to comments received between December 16, 2020 and January 21, 2021 to the investor selection documents published on October 29, 2020 by Circular 044 of 2020.	Released	View more
	UPME External Circular No 009-2021	Publication of Addendum No.2 to the investment selection documents of the public call UPME GN No. 01 - 2020. Schedule adjustment.	Released	View more
MME	Inform	Second Phase Energy Transformation Mission	Released	View more

Appendix 1. Revenues Composition by Sector Pro-Forma

Table N°14 – Revenues Composition by sector	1Q20	2Q20	3Q20	4Q20
Residential-Distributor	52,9%	53,9%	52,1%	51,6%
Industrial	13,0%	12,0%	13,4%	13,9%
Vehicular	6,3%	5,6%	6,5%	5,8%
Commercial	6,5%	6,3%	6,8%	7,4%
Thermal	8,8%	9,8%	8,8%	8,6%
Refinery	12,5%	12,4%	12,5%	12,8%
Petrochemical	0,0%	0,0%	0,0%	0,0%
Total	100%	100%	100%	100%

Appendix 1. Financial Statements

	USD thousand		Var	
Table N°15 - Income Statement	1Q20	1Q21	USD	%
Revenues	120.783	96.640	-24.143	-20,0%
Operating costs	-40.663	-34.625	6.039	-14,9%
Gross income	80.120	62.015	-18.104	-22,6%
Gross margin	*66,3%*	*64,2%*		
Administrative and operating expenses	-6.270	-8.277	-2.007	32,0%
Personnel expenses	-2.062	-2.686	-624	30,2%
General expenses	-2.598	-3.268	-670	25,8%
Taxes	-637	-630	7	-1,1%
Depreciation, amortization and provision	-2.372	-2.412	-40	1,7%
Other expenses	-18	-40	-22	124,4%
Other revenue	1.417	759	-658	-46,4%
Operating income	73.850	53.738	-20.112	-27,2%
Operating margin	*61,1%*	*55,6%*		
Financial costs	-17.602	-17.394	209	-1,2%
Financial revenues	1.146	793	-352	-30,8%
Foreign exchange difference	16.895	-559	-17.454	103,3%
Participation in the results of associates	-1.375	-805	569	41,4%
Income before income tax	72.914	35.774	-37.140	-50,9%
Current tax	-20.141	-12.968	7.173	-35,6%
Deferred tax	7.442	956	-6.486	-87,1%
Net income	60.214	23.762	-36.453	-60,5%
Net margin	*49,9%*	*24,6%*		

Table N°16 - Balance Sheet	USD thousand	
	Dec-20	Mar-21
Assets		
Current Assets		
Cash and equivalents	136.628	187.113
Trade and other accounts receivable	62.694	44.219
Inventories	11.691	11.429
Other non-financial assets	3.412	3.136
Total Current Assets	214.425	245.898
Non-Current Assets		
Property, plant and equipment	2.161.805	2.147.666
Assets by rights of use	2.860	2.317
Investments in associates and subordinates	14.829	14.023
Trade and others account receivable	12.301	11.581
Intangible assets	157.632	156.632
Other financial / non-financial assets	6.301	5.807
Total Non-Current Assets	2.355.727	2.338.026
Total Assets	2.570.152	2.583.924
Liabilities		
Current Liabilities		
Trade and other accounts payable	12.060	7.595
Current tax liabilities	38.480	31.755
Employee benefits	5.298	5.622
Provisions	14.477	10.839
Financial leases	1.764	1.973
Other financial liabilities	12.306	21.902
Accounts payable to related parties	3.036	139.163
Total Current Liabilities	87.420	218.850
Non-Current Liabilities		
Accounts payable to related parties	370.000	370.000
Financial liabilities	6.188	4.803
Provisions	81.821	76.447
Deferred tax liabilities	345.155	344.198
Bonds issued	746.353	746.447
Other financial liabilities	15.703	14.424
Total Non-Current Liabilities	1.565.221	1.556.319
Total Liabilities	1.652.641	1.775.168
Equity		
Common stock	703.868	703.868
Additional paid in capital	56.043	56.043
Reserves	184.913	203.181
Net income of the period	150.785	23.762
Retained earnings	-35.439	-35.439
Cumulative other comprehensive income	-142.659	-142.659
Total Equity	917.511	808.755
Total Liabilities + Equity	2.570.152	2.583.924

Table N°17 - Cash Flow Statement	USD Thousand Dec-20	Mar-21
Cash Flow from Operating Activities		
Net Income	150.785	23.762
Adjustments for:		
Depreciations and amortizations	94.311	23.450
Unrealized exchange difference	-21.594	559
Employee benefits	-420	-117
Amortized cost financial obligations	360	93
Valuation of dismantlement obligations	4.462	1.135
Deferred tax	-14.005	-956
Current tax	76.998	12.968
Financial costs	65.433	16.165
Financial revenues	-3.427	-677
Valuation of equity participation method	-3.189	805
Loss in property, plant and equipment	-2	220
Inventories impairment	666	152
Accounts receivable impairment	3.110	1.115
Provisions recovery	-2.361	-753
Net Changes in Operating Assets and Liabilities		
(Increase) decrease in trade and other accounts receivables	17.142	19.561
Increase in inventories	-98	110
(Increase) decrease in other non-financial assets	15	784
Decrease in other financial assets	0	-13
Decrease in trade and other accounts payable	-40.575	-15.517
Increase (decrease) in employee benefits obligations	1.221	556
Decrease in other financial assets	-520	-3.275
(Decrease) increase in estimated liabilities and provisions	3.390	-7.149
Increase in tax liabilities	0	
Interest payments	-42.496	-61
Interest payments to related parties	-22.663	0
Interest collections	0	0
Paid taxes	-59.629	-12.493
Net cash provided by operating activities	206.914	60.424
Cash Flow from Investing Activities		
Investments in associates	0	0
Property, plant and equipment	-49.646	-9.480
Intangibles	0	0
Net cash used in investing activities	-49.646	-9.480
Cash Flow from Financing Activities		
Payment of dividends	-96.112	0
Payment of financial obligations	-1.898	-472
Acquired financial obligations	0	0
Net cash used in financing activities	-98.010	-472
Effect of exchange rate variation on cash and equivalents	-845	13
Net Changes in Cash and Equivalents	58.413	50.485
Cash and Equivalents at the Beginning of the Period	78.215	136.628
Cash and Equivalents at the End of the Period	136.628	187.113

Appendix 2. Disclaimer and clarifications

This document contains words such as "anticipate", "believe", "expect", "estimate" and others with similar meaning. Any information that is different from the historical information, including, but without limiting to that which refers to the Company's financial situation, its business strategy, its plans and management objectives, corresponds to forecasts.

Forecasts in this report were made under assumptions related to the economic, competitive, regulatory and operational environment of the business and took into account risks beyond the Company's control. Forecasts are uncertain and they may not materialize. One may also expect that unexpected events or circumstances occur. As a result of the foregoing, actual results may differ significantly from forecasts herein contained. Therefore, forecasts in this report must not be considered as true facts. Potential investors must not take into account the forecasts or assumptions herein contained, neither should they base their investment decisions thereupon.

The Company expressly waives any obligation or commitment to distribute updates or revisions of any of the forecasts herein contained.

The Company's past performance may not be considered as a pattern of its future performance.

Appendix 3. Terms and definitions

- ANLA: National Environmental License Authority.
- ASME: American Society of Mechanical Engineers.
- Average – Mcfd: It is the average of the transported volume per day during the quarter being studied.
- BEO (Boletín Electrónico de Operaciones) [Electronic Operations Bulletin]: It is a free website that provides commercial and operational information related to the services of a transporter, which includes regulated charges, charges agreed with the market agents, nomination cycle, transportation program, offers to release capacity and gas supply, energy balance accounts and any other information established in the RUT.
- Contract with interruptions or interruptible: A written agreement in which the parties agree not to assume any commitment for the continuity of the supply or transport of natural gas during a specified period. The service may be interrupted by either party, at any time and under any circumstance, by giving advance notice to the other.
- CREG: Colombian Energy and Gas Regulation Commission.
- Firm Contract or that which guarantees firmness: is a written contract in which the agent guarantees the supply service of a maximum amount of natural gas and/or the maximum transportation capacity, without interruptions, during a defined term, except during the days established for scheduled maintenance and works. This contract modality requires physical support.
- GBTUD: Giga British Thermal Unit per-Day.
- ICANH: Colombian Institute of Anthropology and History.
- IPAT: Investments in priority projects of the natural gas supply plan in a transportation system. Specifically, for this document, it refers to projects in the Plan that TGI could execute directly because they are embedded within the transportation system.
- Kcfd: Thousand cubic feet per day.
- MBTU: Million British Thermal Units.
- Mcfd: Million cubic feet per day.
- mm: Million
- SSPD: Colombian Superintendence of Public Services.
- UPME: Colombian Mining and Energy Planning Unit.