

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.

Consolidated Financial Statements

As of December 31, 2021 and 2020

With Statutory Auditor´s Report



(FREE TRANSLATION OF THE REPORT PREVIOUSLY ISSUED IN SPANISH)
STATUTORY AUDITOR'S REPORT

To the Shareholders
Grupo Energía Bogotá S.A. E.S.P.:

Opinion

I have audited the consolidated financial statements of Grupo Energía Bogotá S.A. E.S.P. and Subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2021 and the consolidated statements of income and other comprehensive income, changes in equity and cash flows for the year then ended and their respective notes, that include significant accounting policies and other explanatory information.

In my opinion, the aforementioned consolidated financial statements, attached to this report, present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021, the consolidated results of its operations, and its consolidated cash flows for the year then ended, in conformity with Accounting and Financial Reporting Standards accepted in Colombia, applied on a consistent basis with the previous year, except for the application for one only time, as of December 31, 2021, of the voluntary exemption allowed by Decree 1311 of 2021 "Accounting alternative to mitigate the effects of the change in the income tax rate for the taxable period 2021."

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) accepted in Colombia. My responsibilities under those standards are further described in the "Statutory Auditor's responsibilities for the audit of the consolidated financial statements" section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), included in the Information Assurance Standards accepted in Colombia together with the ethical requirements established in Colombia that are relevant to my audit of the consolidated financial statements and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code mentioned. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Evaluation of the impairment of the Group's long-lived assets under IAS 36 (See note 19 to the consolidated financial statements)	
Key audit matter	How it was addressed in the audit
<p>The Group maintains long-lived assets as of December 31, 2021 represented in intangibles for \$298.949 thousand U.S. Dollar.</p> <p>The Group carries out the evaluation of the impairment of the value of the long-lived assets as long as there is objective evidence that the carrying amount of the assets is higher than its recoverable value. Said determination is one of the most significant and complex estimates in the preparation of the consolidated financial statements, due to the high degree of judgment involved in the development of the financial model for the determination of whether impairment of the Group's long-lived assets based on the approach required in IAS 36 applies</p> <p>I considered the evaluation of impairment of long-lived assets a key audit matter because there was significant judgment and an audit effort to evaluate the evidence obtained related to: (1) the methodology; (2) the main input data: (i) the volumes agreed in the contracts, (ii) the projected prices, (iii) the investments in working capital, (iv) the projection periods; (3) the discount rate; (4) the macroeconomic assumptions; (5) the mathematical accuracy of the model; and (6) the recovery periods of the projected flows in favor that depend on the resolution of certain arbitration processes.</p>	<p>My audit procedures to evaluate the impairment of the Group's long-lived assets included, among others, the following:</p> <ul style="list-style-type: none"> • Evaluation of the design, implementation, and operating efficiency of certain internal controls established by the Group to carry out the review of the impairment test of long-lived assets. This included controls related to: (1) the review of the execution of Contugas S.A.C.'s business plan, (2) the determination of the macroeconomic hypothesis and variables used in the measurement of the recoverable value of the cash-generating unit, and (3) the review by management of the impairment calculation. • Involvement of professionals with experience and knowledge in valuation, who assisted me in: (1) evaluating whether the methodology used is consistent with the valuation practices generally used for that purpose; (2) analyzing and evaluating the main input data such as: (i) volumes agreed in the contracts, (ii) the logic of the projected prices in conformity with external sources, (iii) investments in working capital, (iv) projection periods; (3) recalculating the discount rate used in the model; (4) comparing the macroeconomic assumptions included in the valuation with historical and market data, and available information; and (5) carrying out independent recalculations to ensure the mathematical accuracy of the models. • Involvement of professionals with experience and knowledge in the applicable legislation, who assisted me in: (1) Evaluation of the competence and capacity of internal and external professionals with specialized knowledge in legal matters, who reviewed the probability of loss in certain arbitration processes, (2) reading of the letters received

Evaluation of the impairment of the Group's long-lived assets under IAS 36 (See note 19 to the consolidated financial statements)	
Key audit matter	How it was addressed in the audit
	directly from the internal and external professionals who evaluated and quantified the probabilities of success in relation to the arbitration processes, and (3) evaluation of the conclusions the Group came to determine the probability of occurrence of the flows contemplated in the projections as a result of the arbitration processes.

Other matters

The consolidated financial statements as at and for the year ended December 31, 2020 are presented only for comparison purposes and were audited by me and, in my report dated February 26, 2021, I expressed an unqualified opinion thereon.

Other information

Management is responsible for the other information. The other information comprises the information included in the governance report but does not include the consolidated financial statements nor my corresponding audit report. The other information is expected to be available to me after the date of this audit report.

My opinion on the consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In relation to my audit of the consolidated financial statements, my responsibility is to read the other information identified previously when it is available and, upon doing so, to consider whether there is a material inconsistency between that information and the consolidated financial statements or my knowledge obtained in the audit, or whether in any way, there seems to be a material misstatement.

When I read the other information, if I consider that there is a material misstatement in that other information, I am required to report this fact to those charged with governance and the carryout the actions applicable under IAS.

Responsibilities of management and those charged with the Group's governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Accounting and Financial Reporting Standards accepted in Colombia. This responsibility includes: designing, implementing and maintaining the internal

control that management considers necessary for the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the consolidated financial statements, management is responsible for evaluating the Group's ability to continue as a going concern; for disclosing, as applicable, matters related to going concern; and for using the going concern basis accounting unless management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Statutory Auditor's responsibilities for the audit of the consolidated financial statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements, considered as a whole, are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit conducted in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and evaluate the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern hypothesis and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the disclosure that describes this situation in the consolidated financial



statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision, and performance of the Group's audit. I remain solely responsible for my audit opinion.

I communicate to those charged with the Group's governance regarding, among other matters, the planned scope and timing for the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide to those charged with governance the confirmation that I have complied with the relevant ethical requirements of independence and that I have communicated them all the relationships and other matter that could be reasonably considered to have influence in my independence and, when applicable, in the related safeguards.

Based on the matters communicated with those charged with governance, I determine the matters that were of most importance in the audit of the consolidated financial statements of the current period and, therefore, are the key audit matters. I describe these matters in my statutory auditor's report, unless the laws or regulation prevent the public disclosing of the matter or when, in extremely exceptional circumstances, I determine that a matter must not be communicated in my report because the adverse consequences of doing so would be reasonably greater than the benefits to the public interest of such communication.

(Original Signed)
Lidia Nery Roa Mendoza
Statutory Auditor of Grupo Energía Bogotá S.A.
E.S.P. Registration 167431 - T
Member of KPMG S.A.S.

February 25, 2022

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES
Consolidated Statements of Financial Position
For the years ended December 31, 2021 and 2020
(Expressed in thousands of U.S. Dollars)

	<u>Note</u>	December 2021	December 2020		<u>Note</u>	December 2021	December 2020
<u>Assets</u>				<u>Liability and equity</u>			
Current assets:				Current liabilities:			
Cash and Cash equivalents	7	424.886	247.992	Financial Obligations	20	219.462	87.320
Investments	8	1.058	167.298	Trade and other payables	21	146.052	154.008
Trade debtors and other receivables	9	288.805	341.046	Lease obligations		2.355	6.011
Accounts receivable from related parties	33	32.111	89.370	Accounts payable to related parties	33	3	111
Inventories		63.378	63.703	Hedging derivative financial instruments	27	37.950	11.431
Tax assets	10	34.226	21.796	Employee benefits	22	34.704	33.333
Hedging transactions	27	26.904	1.473	Provisions	23	21.361	16.994
Other Non-financial assets	12	<u>9.731</u>	<u>10.984</u>	Incomes received in advance		5.762	6.025
				Tax liabilities	24	28.044	52.585
		881.098	943.663	Other Non-financial liabilities	26	<u>21.711</u>	<u>22.850</u>
Assets classified as held for sale	11	<u>45.653</u>	<u>52.912</u>	Total current liabilities		<u>517.404</u>	<u>390.668</u>
Total current assets		<u>926.751</u>	<u>996.575</u>	No current liabilities:			
No current assets:				Financial Obligations	20	3.579.387	3.685.921
Investments in associates and joint ventures	14	2.493.195	2.838.986	Trade and other payables	21	11.472	9.150
Property, Plant and Equipment	15	3.423.997	3.523.479	Lease obligations		13.268	6.979
Assets for rights of use	17	25.116	13.288	Tax liabilities	24	192	235
Investment properties	16	7.566	8.691	Employee benefits	22	26.381	46.338
Investments	8	1.912	3.528	Provisions	23	93.032	124.042
Trade debtors and other receivables	9	73.873	51.259	Incomes received in advance		13.736	15.977
Goodwill	18	75.996	81.093	Deferred tax liabilities	25	544.641	499.395
Intangible assets	19	1.677.724	1.524.663	Other Non-financial liabilities	26	<u>5.271</u>	<u>5.614</u>
Tax assets	10	27.419	27.572	Total no current liabilities		<u>4.287.378</u>	<u>4.393.652</u>
Deferred tax assets	25	643	383	Total liabilities		4.804.782	4.784.320
Other Non-financial assets	12	<u>9.359</u>	<u>6.272</u>	Equity:	28		
Total non-current assets		<u>7.816.800</u>	<u>8.079.214</u>	Issued Capital		123.610	143.368
Total Assets		<u>8.743.551</u>	<u>9.075.789</u>	Additional paid- in capital		210.441	244.078
				Reserves		1.024.403	1.185.819
				Accumulated profits		1.511.141	1.819.762
				Other comprehensive income		<u>925.783</u>	<u>756.631</u>
				Total equity of the controlling company		3.795.378	4.149.659
				Non-controlling interest	13	<u>143.390</u>	<u>141.811</u>
				Total equity		<u>3.938.768</u>	<u>4.291.470</u>
				Total liabilities and equity		<u>8.743.550</u>	<u>9.075.790</u>

The attached notes are an integral part of the consolidated financial statements.

(Original Signed)
Jorge Andrés Tabares Ángel
Legal Representative

(Original Signed)
Julio Hernando Alarcón Velasco
Accounting and Tax Manager
T.P. 53.918 - T

(Original Signed)
Lidia Nery Roa Mendoza
Statutory Auditor
T.P. No 167.431-T
Member of KPMG S.A.S.
(See my report dated on February 25, 2022)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES
Consolidated statement of income and comprehensive income
For the years ended December 31, 2021 and 2020
(Expressed in thousands of U.S. Dollars)

	<u>Note</u>	<u>2021</u>	<u>2020</u>
Natural gas distribution		803.667	639.364
Natural gas transportation		384.733	455.769
Electricity transmission		185.230	184.629
Electricity distribution		111.398	108.120
Total revenues		<u>1.485.028</u>	<u>1.387.881</u>
Natural gas distribution		(564.506)	(444.097)
Natural gas transportation		(150.289)	(166.406)
Electricity transmission		(64.327)	(61.991)
Electricity distribution		(67.255)	(66.546)
Total costs	29	<u>(846.377)</u>	<u>(739.040)</u>
Gross profit:		638.650	648.841
Administrative and operating expenses	30	(223.149)	(205.607)
Other income, net		64.232	46.953
Results of operating activities		<u>479.733</u>	<u>490.187</u>
Finance income	31	20.462	23.146
Financial expenses	32	(179.720)	(179.844)
Foreign exchange difference income (expense), net		(22.954)	48.261
Equity method in associates and joint ventures	14	<u>533.767</u>	<u>433.850</u>
Income before taxes	25	831.289	815.600
Current tax		(107.864)	(110.763)
Deferred tax		(10.334)	3.698
Consolidated income for the year		<u><u>713.091</u></u>	<u><u>708.536</u></u>
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations		15.202	(265)
Exchange differences on translation of foreign operations		303.734	(13.311)
Hedging instruments		(22.140)	4.038
Gains or losses from other comprehensive income in associates		11.058	2.447
Total other comprehensible income for the year		<u>307.854</u>	<u>(7.092)</u>
Consolidated comprehensive income for the year		<u><u>1.020.945</u></u>	<u><u>701.444</u></u>
Consolidated income for the year attributable to:			
Controlling interest		674.809	680.803
Non-controlling interest		<u>38.281</u>	<u>27.733</u>
		<u>713.091</u>	<u>708.536</u>
Consolidated comprehensive income for the year attributable to:			
Controlling interest		965.626	663.079
Non-controlling interest		<u>55.319</u>	<u>38.365</u>
		<u><u>1.020.945</u></u>	<u><u>701.444</u></u>

The attached notes are an integral part of the consolidated financial statements.

(Original Signed)
Jorge Andrés Tabares Ángel
Legal Representative

(Original Signed)
Julio Hernando Alarcón Velasco
Accounting manager
T.P. 53.918 - T

(Original Signed)
Lidia Nery Roa Mendoza
Statutory Auditor
T.P. No 167.431-T
Member of KPMG S.A.S
(See my report dated on February 25, 2022)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND SUBSIDIARIES
Consolidated statement of changes in equity
For the years ended December 31, 2021 and 2020
(Expressed in thousands of U.S. Dollars)

	Share Capital	Share Premium	Reserves	Retained earnings	Other comprehensive income	Non-controlling interest	Total Equity
Balance as at December 31, 2019	\$ 150.165	255.649	1.071.004	1.705.811	812.476	141.580	4.136.685
Profit for the year	-	-	-	680.803	-	27.733	708.536
Appropriations	-	-	151.756	(151.756)	-	-	-
Equity-accounted investees	-	-	-	(3.369)	-	-	(3.369)
Dividend distribution	-	-	-	(348.020)	-	(32.194)	(380.214)
<u>Other comprehensive income:</u>							
Conversion effect	(6.797)	(11.571)	(36.941)	(63.707)	(38.121)	(5.940)	(163.077)
Remeasurement of defined benefit obligations	-	-	-	-	(265)	-	(265)
Exchange differences on translation of foreign operations	-	-	-	-	(21.891)	8.580	(13.311)
Hedging instruments	-	-	-	-	4.038	-	4.038
Loss from other comprehensive income in associates and joint ventures	-	-	-	-	394	2.052	2.446
Balance at December 31, 2020	\$ 143.368	244.078	1.185.819	1.819.762	756.631	141.811	4.291.469
Profit for the year	-	-	-	634.456	-	35.992	670.449
Appropriations	-	-	221.091	(221.091)	-	-	-
Equity-accounted investees	-	-	-	-2.606	-	-	(2.606)
Dividend distribution	-	-	(219.085)	(410.496)	-	(24.274)	(653.855)
Other	-	-	-	(58.096)	-	(26.332)	(84.428)
<u>Other comprehensive income:</u>							
Conversion effect	(19.758)	(33.637)	(163.423)	(250.789)	(104.274)	174	(571.706)
Remeasurement of defined benefit obligations	-	-	-	-	14.293	-	14.293
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-
Hedging instruments	-	-	-	-	267.255	18.316	285.571
Gain from other comprehensive income in associates and joint ventures	-	-	-	-	(18.518)	(2.298)	(20.816)
Balance at December 31, 2021	\$ 123.610	210.441	1.024.403	1.511.141	925.783	143.390	3.938.768

Notes are an integral part of the consolidated financial statements.

(Original Signed)
Jorge Andrés Tabares Ángel
Legal Representative

(Original Signed)
Julio Hernando Alarcón Velasco
Accounting manager
T.P. 53918 - T

(Original Signed)
Lidia Nery Roa Mendoza
Statutory Auditor
T.P. No 167.431-T
Member of KPMG S.A.S
(See my report dated on February 25, 2022)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of U.S. Dollars)

	<u>2021</u>	<u>2020</u>
Cash flows of operating activities:		
Net profit	713.091	708.536
Adjustments to reconcile net income with net cash provided by the operation activities:		
Current and deferred tax recognized in results	118.198	107.064
Share of profit of associates and joint venture	(533.767)	(433.850)
Financial expenses	179.720	179.844
Financial income	(20.462)	(23.146)
Depreciation and amortization	183.640	180.640
Gain on disposal of property, plant and equipment	1.457	1.903
Exchange difference	22.954	(48.261)
(Recovery) Long-term asset impairment	(33.000)	(20.350)
Provisions (recoveries), net	5.987	23.361
	637.818	675.741
Net changes in assets and liabilities of the operation:		
Accounts receivable	(118.855)	(41.308)
Inventories	3.503	24
Other non-financial assets	(2.231)	(2.267)
Accounts payable	1.544	3.367
Provisions for benefits to employees	2.907	(2.637)
Provisions	(8.638)	2.252
Other non-financial liabilities	(13.890)	8.051
Liabilities for use rights	4.137	36
Interest for use rights	(26)	(408)
Taxes paid	(142.946)	(99.226)
Net cash flow provided by operating activities	363.325	543.626
Cash flows from investing activities		
Acquisition of uncontrolled participation	-3.582	-
Capitalizations in associates	-2.279	-
Consideration paid in the acquisition of joint ventures	-	-370.104
Capital reductions joint ventures	-126.668	-
Dividends Received	589.769	291.175
Revenues of property, plant and equipment	-	733
Interest Received	8.206	16.132
Investments	311.803	-148.704
Acquisition of property, plant and equipment	-143.306	-165.279
Acquisition of intangible assets	-39.241	-87.574
Net cash flow used in investment activities	594.702	(463.622)
Cash flows from financing activities:		
Dividends paid	-693.758	-377.770
Interest paid	-164.240	-182.235
Loans Received	347.195	1.369.472
Loans paid	-260.559	-875.942
Net cash flow provided (used) in financing activities	(771.361)	(66.476)
Net cash increase	186.666	13.528
Effect on changes in the exchange rate in cash held under foreign currency	(9.772)	(301)
Cash and cash equivalents at the beginning of the period	247.992	234.765
Cash and cash equivalents at the end of the period	424.886	247.992

The attached notes are an integral part of the consolidated financial statements.

(Original Signed)
Jorge Andrés Tabares Ángel
Legal Representative

(Original Signed)
Julio Hernando Alarcón Velasco
Accounting and Tax Manager
T.P. 53918 - T

(Original Signed)
Lidia Nery Roa Mendoza
Statutory Auditor
T.P. No 167.431-T
Member of KPMG S.A.S
(See my report dated on February 25, 2022)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

1. General Information

Parent company - in accordance with Law 142 of 1994 and Agreement 1 of 1996 of the District Council, on May 31, 1996 the Grupo Energía Bogotá S.A. E.S.P. was transformed from an industrial and commercial state-owned company of the district order to a joint stock company. Grupo Energía Bogotá S.A. E.S.P. (hereinafter "GEB" or the "Company"), transformed into a public utility company under Law 142 of 1994, continued to be engaged in the generation, transmission, distribution and commercialization of energy. The term of the Company's legal duration is indefinite. At the October 6, 2017 session of the General Shareholders' Meeting, as recorded in Minute No. 078, raised to Public Deed No. 3679 of 2017, recorded on October 25, 2017 at the Bogota Chamber of Commerce, the Company changed its corporate name from Empresa de Energía de Bogotá S.A. E.S.P. to Grupo Energía Bogotá S.A. E.S.P. Its primary address is carrera 9 No. 73 - 44 in Bogotá D.C., Colombia.

The Company's main corporate purpose is the generation, transmission, distribution and commercialization of energy, including gas and liquid fuels in all their varieties, and it may also participate as a partner or shareholder in other utility companies, either directly or in association with other parties. Currently, the Company carries out operating activities related to energy transmission and has an investment portfolio in the energy sector.

It has investments in subsidiaries, associates and joint ventures and directly provides electricity transmission services in Colombia.

In the value chain, the business controls the largest natural gas operator in Colombia, TGI S.A., which has a 50.9% market share, including an area of 3,957 kilometers of gas pipeline extension, has an available capacity of 733.8 MCFD (million cubic feet per day) with which it supplies the most populated areas of the country such as Bogotá, Cali, Eje Cafetero, Medellín and Piedemonte Llanero. The company operates and maintains the most extensive gas pipeline network in Colombia, from Guajira to Valle del Cauca and from the Eastern Plains to Cundinamarca, Boyacá, Tolima and Huila.

In Peru, through its participation in Calidda, it has the concession to design, build and operate the natural gas distribution system in the department of Lima and the Constitutional Province of Callao in Peru. It is the pioneer company in providing this public service in Peru, thus contributing to the improvement of the quality of life of the population and the preservation of the environment. With its company Contugas, it holds a 30-year concession and participates in the transportation and distribution of natural gas in the Department of Ica.

On August 9, 2019, the Grupo Energía Bogotá acquired the shares of Dunas Energía S.A.A., Cantalloc Perú Holding S.R.L. and PPC Perú Holdings S.R.L. (hereinafter Dunas Group), through the acquisition of shares and voting interest in these companies.

The Company wanted to obtain a higher level of regional coverage to consolidate its position in the energy sector chain. Previously, the Company did not have a controlling interest in an electric power distribution company.

In the same country, together with ISA, it owns shares in REP S.A. and TRANSMANTARO S.A., which operate 63% of the electricity transmission network in Peru, operating from four Transmission Departments, through the Northern Transmission Department to the branches in Chiclayo and Chimbote; through the Central

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Transmission Department to the branches in Lima and Pisco; through the Eastern Transmission Department to the branches in Huánuco and Huancayo and through the Southern Transmission Department to the branches in Arequipa and Cusco.

In Guatemala, through its investment in Transportadora de Centroamérica S.A., TRECESA provides energy transmission services and associated activities by means of the construction of the most important infrastructure project in Guatemala, which started to provide electricity transmission services in 2014. This company's projects aimed at the Construction, Operation and Maintenance of a set or group of transmission works.

In addition, the Company has a portfolio of investments in important companies in the electric energy sector, including Emgesa S.A. E.S.P., Codensa S.A. E.S.P., Vanti S.A., E.S.P., Electrificado del Meta S.A. E.S.P. and Promigas S.A., E.S.P.

2. Legal and regulatory framework

Colombian companies - Under the guidelines of the framework ordered by the Constitution, the Law of Residential Public Utilities Law 142 of 1994 and Law 143 of 1994 or Electricity Law were issued, which define the provisions or general criteria that must regulate the companies that provide residential public utilities in the national territory.

The Electricity Law of July 1, 1994 (Law 143 of 1994) regulates the activities related to the generation, transmission, distribution and commercialization of electricity, creating a competitive structure and strengthening the electricity sector in the country.

The main entity of the electricity sector is the Ministry of Mines and Energy, which develops the national energy plan and the reference generation-transmission expansion plan through the Mining and Energy Planning Unit (Unidad de Planeación Minero Energética UPME). The Superintendency of Domiciliary Public Utilities (SSPD by its acronym in Spanish) and the Energy and Gas Regulatory Commission (CREG by its acronym in Spanish) are the entities in charge of overseeing and regularizing the companies in the sector.

Peruvian companies - They are governed by the Organic Hydrocarbons Law No. 26221, enacted on August 19, 1993 and the Law for the Promotion of the Development of the Natural Gas Industry No. 27133, enacted on November 18, 1999, and its regulations approved by means of the Supreme Decree 040-99-EM, which sets forth the conditions for the promotion of the development of the natural gas industry. On the other hand, they are supervised by the Energy and Mining Investment Supervisory Agency - OSINERGMIN, which oversees the quality and efficiency of the service provided and monitors compliance with the obligations assumed by the concessionaires in the concession contracts, as well as with the legal provisions and technical standards in force.

Guatemalan Companies - Are ruled by the Legal Framework defined in the General Electricity Law (Decree 93-96 of the Congress of Guatemala) enacted on November 15, 1996, the Regulations of the General Electricity Law (Agreement 256-97 of April 2, 1997, amended by Agreement 68-2007) and the Regulations of the Wholesale Market Administrator - AMM - (Agreement 299-98 of June 1, 1998, amended by Agreement 69-2007).

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

The Ministry of Energy and Mines -MEM- is the State entity responsible for formulating and coordinating policies, State plans, indicative programs related to the Electricity Subsector and applying the Law and its Regulations.

Brazilian companies - In 2015, the Company formalized the acquisition of a 51% interest in four electric power transmission concessions in Brazil: Transenergia Renovável S.A., Transenergia Sao Paulo S.A., Goiás Transmissão S.A. y MGE Transmissão, S.A.

The four concessions acquired by the Company were awarded through a public bidding process in 2008 and 2009 for 25 years. The length of the lines is 1,094 kilometers and are composed of assets with voltage levels of 500, 345, 230 and 138 kV located in the following states: Espírito Santo, Goiás, Mato Grosso, Mato Grosso do Sul, Minas Gerais and Sao Paulo.

Likewise, this acquisition will allow The Company, through GEBBRAS, the holding company of these four concessions, as well as future expansions, to have a strategic partner in Brazil, Furnas, which holds the remaining 49% stake in these four concessions.

3. Basis of presentation

3.1 Accounting standards applied

The Consolidated financial statements have been prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia (NCIF per its Spanish acronym), established in Law 1314 of 2009, regulated by Single Regulatory Decree 2420 of 2015 modified by Decrees 2496 of 2015, 2131 of 2016, 2170 of 2017, 2483 of 2018, 2270 of 2019, 1432 of 2020, and 938 of 2021. The applicable NCIF in 2021 are based on the International Financial Reporting Standards (IFRS), together with its interpretations, issued by the International Accounting Standards Board (IASB); the base standards correspond to those officially translated into Spanish and issued by IASB on the second semester of 2020.

The Company applies the following guideline in accordance with laws and other standards in force in Colombia:

- Decree 1311 of October 20, 2021, which establishes for one only time the alternative to accountably recognize with charge to the accumulated profit in equity, the variation in the deferred income tax, derived from the increase in the income tax rate, in accordance with the provisions of the Law of Social Investment 2155 above mentioned.

These financial statements have been prepared on the historical cost basis, except for hedging financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies. The historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3.2. Basis of preparation

Grupo Energía Bogotá S.A. E.S.P. and its subsidiaries present this financial statement in thousand U.S. Dollars and the values have been adjusted to the nearest million pesos, except when otherwise indicated.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

3.3. Consolidated financial statements

The consolidated financial statements include the financial statements of Grupo Energía Bogota S.A. E.S.P. and its controlled subsidiaries. These consolidated financial statements should be read in conjunction with the separate financial statements of Grupo Energía Bogota S.A. E.S.P. and the individual financial statements of its subsidiaries.

Control is achieved when the Company:

- Has power over an investee.;
- Is exposed to, or has rights to, variable returns from its relationship with the investee; and
- Has the ability to use its power over the investee and exercise influence over the amount of investor returns.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control mentioned above.

When the Company has less than most of the voting rights of an investee, it has power over the investee when the voting rights are enough to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether the Company's voting rights in an investee are adequate to give it the power, including:

- The amount of the Company's percentage of voting rights relative to the size and dispersion of the percentages of other voting holders.
- Potential voting rights held by the Company, other shareholders or other parties.
- Rights arising from contractual arrangements; and
- Any additional facts or circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ends when the Company loses control of the subsidiary. Specifically, the income and expenses of a subsidiary acquired or sold during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company obtains control until the date the Company ceases to control the subsidiary.

The profit or loss of each component of other comprehensive income is attributed to the owners of the Company and to the non-controlling interests. The total comprehensive income of the subordinated companies is attributed to the owners of the Company and to the non-controlling interests even if the results in the non-controlling interests have a negative balance.

When necessary, adjustments are made to the financial statements of subsidiaries to adapt their accounting policies to those used by other members of the Company.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

All intercompany transactions, balances, income and expenses are removed on consolidation.

Changes in the Company's interests in its existing subsidiaries - Changes in interests in subsidiaries that do not result in the loss of control of the Company to the subsidiaries are accounted for as equity transactions. The amounts of the Company's interests and noncontrolling interests are adjusted to reflect changes in their relative interests in the subsidiaries. Any difference between the amount by which non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the company.

When the Company loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the sum of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognized in other comprehensive income in relation to such subsidiary are accounted for as if the Company had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable standards). The fair value of the investment retained in the former subsidiary at the date when control is lost is considered as the fair value at initial recognition for subsequent accounting under IFRS 9, if applicable, the cost at initial recognition of an investment in an associate or joint venture.

The consolidated financial statements present information of the Company as Parent Company of the following subordinates:

<u>Name of the subordinate</u>	<u>Activity principal</u>	<u>% Shares</u>	<u>Place of incorporation and compliance</u>
Transportadora de Gas Internacional S.A. E.S.P.	Gas transportation	99,9%	Colombia
EEB Internacional LTD.	Investment vehicle	100%	Islas Caimán
Contugas S.A.C.	Gas Distribution	100%	Perú
Gas Natural de Lima y Callao S.A.	Gas Distribution	60%	Perú
Transportadora de Energía de Centroamérica S.A.	Energy transport	96,84%	Guatemala
EEB Perú Holdings LTD.	Investment vehicle	100%	Islas Caimán
EEB Ingeniería y Servicios S.A.	Engineering services	100%	Guatemala
EEB Ingeniería y Servicios Perú S.A.C (en liquidación)	Engineering services	100%	Perú
EEB Gas S.A.S.	Investment vehicle	100%	Colombia
EEB Energy RE.	Captive Insurance	100%	Bermuda
GEBBRAS Participacoes LTDA.	Investment vehicle	100%	Brasil
Dunas Energía S.A.A.,	Distribution and marketing of Energy	100%	Perú
PPC Peru Holdings S.R.L	Distribution and marketing of Energy	100%	Perú
Cantaloc Peru Holdings S.R.L	Distribution and marketing of Energy	100%	Perú

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Likewise, in these consolidated financial statements, the operations of the following associated and joint ventures are considered:

<u>Name</u>	<u>Activity Principal</u>	<u>% Shares</u>	<u>Place of incorporation and <u>compliance</u></u>
Codensa S.A E.S.P	Energy trading	51,51%	Colombia
Engesa S.A E.S.P	Energy generator	51,32%	Colombia
Promigas S.A.	Gas	15,24%	Colombia
Gas Natural S.A. E.S.P.	Gas	24,99%	Colombia
Electrificadora del Meta S.A E.S.P – EMSA	Energy	16,23%	Colombia
Consortio Transmantaro S.A	Energy	40,00%	Perú
Red de Energía del Perú S.A.	Energy	40,00%	Perú
Agencia analítica de datos S.A.S.	Others	40,00%	Colombia
Goiás Transmissao S.A.	Electricity generation	51,00%	Brasil
Mge Transmissao S.A.	Electricity generation	51,00%	Brasil
Transenergia Renovavel S.A.	Electricity generation	51,00%	Brasil
Transenergia Sao Paulo S.A.	Electricity generation	51,00%	Brasil
Argo	Electricity generation	50,00%	Brasil

Investments in Brazil correspond to entities for which there is joint control.

3.4. Basis measurement

The Company's consolidated financial statements have been prepared on the historical cost basis, except for financial assets and liabilities at fair value through profit or loss and/or changes in other comprehensive income which are measured at their fair values at the end of each period, as explained in the accounting policies included below.

Generally, historical cost is based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or liability, the Company considers the features of the asset or liability if market participants take those features into account when valuing the asset or liability at the measurement date.

3.5. Functional and presentation currency

3.5.1 Functional and presentation currency – The consolidated financial statements are presented in thousand U.S. Dollars.

3.5.2 Foreign currency transactions - In preparing each entity's financial statements, transactions in currencies other than the Entity's functional currency (foreign currency) are recognized using the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

items denominated in foreign currencies are translated at the exchange rates prevailing at that date. Non-monetary items recorded at fair value, expressed in foreign currency, are retranslated at the exchange rates in effect at the date the fair value was determined. Non-monetary items that are measured in terms of historical cost, in foreign currency, are not retranslated.

During the year, differences arising between the exchange rate recorded and the exchange rate in effect at the date of collection or payment are recorded as exchange differences in the statement of profit or loss.

Also, at the end of each year, balances receivable or payable in a currency other than the functional currency of each company are translated at the closing exchange rate. The resulting valuation differences are recorded as exchange differences in the statement of comprehensive income.

Balances denominated in foreign currency are expressed in Colombian pesos at representative exchange rates as of December 31, 2021 and December 31, 2020 of \$3.981,16 and \$3.432,50 for US\$1 y \$707,98 and \$663,08 for 1 Real, for soles S/999,06 and S/949,25 respectively.

Foreign operations - Assets and liabilities of foreign operations are translated at period-end exchange rates. Income and expense items are translated at the average exchange rates in effect during the period, unless exchange rates fluctuate significantly during the period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in stockholders' equity.

3.6. Classification of current and non-current assets and liabilities

In its Statement of Financial Position, the Group presents assets and liabilities classified according to their due dates as current and non-current. Current assets and liabilities are those due in twelve months or less, and non-current liabilities are those due in more than twelve months.

The Group, within the current and non-current classification, should consider that assets and liabilities available for sale as well as cash and cash equivalents are classified directly as current, because they are intended to be realized, disposed of or consumed during the normal cycle of operations or within twelve months after the reporting period.

In all cases, deferred tax balances recognized as assets or liabilities will be classified as non-current assets and liabilities in the presentation of the consolidated statement of financial position.

3.7. Accounting period

The Group prepares and discloses general purpose financial statements once a year, as of December 31.

By decision of the General Ordinary Shareholders' Meeting of Grupo Energía Bogota S.A. E.S.P., in Act No. 32 of August 22, 2002 and by means of a duly authorized and notarized Bylaw Amendment, the Board of Directors was authorized, after studying and analyzing the financial statements and in accordance with the provisions of the Code of Commerce, to determine at any time the account cuts it deems necessary, for the purpose of distributing profits.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

4. Significant accounting policies

The significant accounting policies applied in the preparation of the accompanying general purpose consolidated financial statements are as follows:

4.1. Financial instruments

Financial assets and liabilities are initially recognized at fair value plus (minus) directly attributable transaction costs, except for those that are subsequently measured at fair value through profit or loss. GEB and its subsidiaries subsequently measure financial assets and liabilities at amortized cost or at fair value, depending on the Group's business model for managing financial assets and the characteristics of the contractual cash flows of the instrument.

4.1.1 Financial assets - Financial assets other than those at amortized cost are subsequently measured at fair value with changes recognized in profit or loss. However, for investments in equity instruments that are not held for trading purposes, GEB and its subsidiaries may elect, on initial recognition and irrevocably, to present gains or losses from fair value measurement in other comprehensive income.

On disposal of investments at fair value through other comprehensive income, the cumulative gain or loss is transferred directly to retained earnings, not reclassified to profit or loss for the period. Dividends received in cash from these investments are recognized in the statement of comprehensive income. GEB and its subsidiaries have elected to measure certain of their investments in equity instruments at fair value through other comprehensive income. A financial asset is subsequently measured at amortized cost, using the effective interest rate, if the asset is held within a business model whose objective is to hold them to obtain contractual cash flows and the contractual terms of the asset provide, on specified dates, cash flows that are only paid of principal and interest on the principal amount outstanding.

A financial asset or part of it is derecognized from the statement of financial position when it is sold, transferred, expires or lost control over the contractual rights or cash flows of the instrument. A financial liability or part of a financial liability is derecognized from the statement of financial position when the contractual obligation has been settled or has expired.

When an existing financial liability is replaced by another from the same counterparty under substantially different terms, or if the terms of an existing liability are substantially modified, such exchange or modification is accounted for as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of comprehensive income.

4.1.1.1 Impairment of financial assets – The Group recognizes a provision for expected credit losses on financial assets of investments measured at amortized cost or at fair value recognized in other comprehensive income, lease receivables, balances due from customers on construction contracts, as well as on credit commitments and financial guarantee contracts. No impairment loss is recognized for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to recognize changes in credit risk since the initial recognition of the respective financial instrument.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

GEB and its subsidiaries record expected credit losses on their debt securities, trade and lease receivables at the end of the reporting period. In determining expected credit losses under IFRS 9, GEB and its subsidiaries apply a simplified approach, which allows it not to monitor changes in credit risk, but to recognize a loss allowance based on expected credit losses over the life of the asset at each reporting date, i.e., to recognize expected credit losses resulting from possible events of default over the expected life of the financial instrument. Where there is objective evidence that a financial asset is impaired, the Group recognizes a provision for individual impairment loss, and excludes the item from the collective assessment under the expected loss model.

To determine expected credit losses, GEB and its subsidiaries have used an allowance matrix based on the number of days that a trade account receivable is past due, that is, grouping the portfolio by ranges of days of default and applying to the outstanding balance of accounts receivable at the measurement date for each range of days of default a percentage of expected default of each subsidiary is segmented into two homogeneous groups, industrial business and mass business.

The impairment loss is recognized in administrative and selling expenses in the Group's consolidated statement of income. When there is confirmation that the trade receivable is considered uncollectible, the gross carrying amount of the receivable is written off against the associated allowance.

4.1.2 Financial liabilities - Financial liabilities correspond to the sources of financing obtained by the Company through bank loans and bond issues, accounts payable to suppliers and creditors.

Financial liabilities are generally recorded at the cash received; net of transaction costs incurred. In subsequent periods these liabilities are measured at amortized cost, using the effective interest rate method.

Accounts payable to suppliers and creditors are short-term financial liabilities recorded at their nominal value since they do not differ significantly from their fair value.

The Group will derecognize a financial liability if, and only if the Group's obligations are canceled, met or expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

4.2. Inventories

The inventories of the Group correspond to stocks that include the materials on which the risks and rewards of ownership have been acquired. Inventories are presented in the consolidated statement of financial position under current assets.

Inventories are valued at the lower of acquisition cost and net realizable value. Cost is calculated using the weighted average cost method. Net realizable value represents the estimated selling price less all estimated costs.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

The acquisition cost of inventories is comprised of the purchase cost, and all costs directly or indirectly attributable to the inventory, for example: transportation, customs costs, insurance, non-recoverable indirect taxes, etc., and should be subtracted from any commercial discounts, bonuses and premiums.

The cost of inventories may not be recoverable if the inventories are damaged, partially or totally obsolete, or due to low turnover.

Obsolete materials are those that are not expected to be sold or used in the Company's ordinary operating cycle, such as scrap. The Group determines the inventory provision according to their obsolescence and impairment.

4.3. Disposal group held for sale

Non-current assets (and disposal groups) classified as held for sale are recognized at the lower of the carrying amount and fair value of the assets less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is met only when the sale is highly probable, and the asset (or disposal group) is available for immediate sale in its current condition. Management must commit to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group commits to a sale plan involving the disposal of an investment in an associate or, a portion of an investment in an associate, the investment or the portion of the investment in the associate, which will be disposed of, is classified as held for sale when the criteria described above are met. The Company ceases to apply the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method.

4.4. Property, Plant and Equipment

The Group values its property, plant and equipment at acquisition cost, net of the related accumulated depreciation and any impairment losses that may have arisen. In addition to the amount paid for the acquisition of each item, the cost also includes, if applicable, the following items:

Land is not depreciated. Property under construction for rendering services is recorded at cost less any recognized impairment loss. Cost includes professional fees and, in the case of qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Construction in progress is transferred to operating assets at the end of the trial period, i.e., when it is available for use and in the condition intended by management.

Additional to the Price paid for the acquisition of each element, the cost also includes, in each case, the following concepts:

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

- General and specific interest costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are those assets that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially prepared for their intended use or sale. The Group considers a substantial period to be a period exceeding twelve months. The interest rate used is that corresponding to the specific financing or, if it does not exist, the average financing rate of the investee company.
- Personnel expenses directly related to construction in progress.
- Future disbursements that the Company will face for any effect of the closing of its facilities are incorporated to the value of the asset at the restated value, recognizing for accounting purposes a provision for dismantling or restoration.

Feasible cost of capitalization is defined as those that individually are greater than 50 TVU. Those assets with a value lower than 50 TVU (Tax Value Unit) must be capitalized and depreciated during the remaining time of the year they are capitalized.

The costs of expansion, modernization or improvement that represent an increase in productivity, capacity, efficiency or a lengthening of the useful lives of the assets are capitalized as an increase in the cost of the corresponding assets.

Replacements or renewals of complete items that increase the useful life of the asset, or its economic capacity, are recorded as an increase in the value of the respective assets, with the consequent accounting retirement of the replaced or renewed items.

Periodic maintenance, upkeep and repair expenses are recorded directly in the statement of income as a cost for the period in which they are incurred.

Depreciation is recognized to take to income the cost of assets (other than land and property under construction) less their residual value, over their useful lives using the straight-line method. The estimated useful life, residual value and depreciation method are reviewed at the end of each year, and the effect of any change in the recorded estimate is recognized on a prospective basis.

An item of property, plant and equipment is derecognized when it is sold or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising from the sale or retirement of an item of property, plant and equipment is determined as the difference between the proceeds received from the sale and the carrying amount of the asset and is recognized in profit or loss.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

The following are the main types of property, plant and equipment together with their respective estimated useful lives:

	Electricity transmisión	Electricity distribution	Gas distribution	Natural gas transportati on
Buildings	50	40 a 100	-	20 a 50
Plants, pipelines and stations	10 a 40	15 a 40	-	10 a 50
Nets, lines and cables	40 a 63	15 a 40	-	-
Machinery and equipment	10	15 a 40	10	10
Scientific equipment	10	-	-	-
Furniture and accessories	10	5 a 10	10	10
Communication equipment	10	3 a 10	-	3 a 5
Computer equipment	5	3 a 10	4	3 a 5
Transport Equipment	5	5	4 a 5	20
Other equipment	10	3 a 10	4 a 10	5

Asset retirement obligation - The Company recognizes an asset retirement obligation at the present value of the future costs expected to be incurred when the assets are retired from service, if there is a legal retirement obligation and if a fair value estimate can be made, this value is recognized as an increase in the value of the assets.

4.5 Investment properties

Investment properties are those held for rental income and/or goodwill (including investment properties under construction for such purposes) and are initially stated at acquisition cost, including transaction costs incurred. After initial recognition, investment property is recorded at cost less accumulated depreciation.

An investment property is disposed of upon disposal or when it is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of income in the period in which the property is derecognized.

4.6. Intangible assets

4.6.1 Intangible assets acquired separately - Intangible assets with finite useful lives acquired separately are recognized at acquisition cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at each year-end, and the effect of any change in the recorded estimate is recognized on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are recorded at cost less accumulated impairment losses.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Intangible assets correspond mainly to computer software and rights of way and rights of use. They are initially recognized at acquisition or production cost and subsequently measured at cost less accumulated amortization and any accumulated impairment losses.

For rights of way and rights of use, the useful lives are related to the duration of the main asset for which they were acquired. The amortization process of the related easements and rights of way is initiated at the time the main asset is put into operation.

4.6.2. Derecognition of intangible assets - An intangible asset is derecognized upon sale, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the derecognition of an intangible asset, measured as the difference between net income and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

4.6.3 Concessions - The Company records its BOOT concession contract in accordance with the guidelines established by IFRIC 12 - Concession Contracts. The Group considers that IFRIC 12 is applicable because:

- The Ministry of Energy and Mines ("grantor") regulates the services to be provided by the Company, setting the tariff calculation method, as well as the control of compliance with the same.
- The Ministry of Energy and Mines has control over a significant residual portion of the concession assets, as the assets will be returned to the grantor at the end of the contract at their book value.
- The construction of the infrastructure was carried out exclusively for the concession purpose. Such construction is not carried out directly by the Company but is entrusted to a third party under its supervision and responsibility.

Management has assessed that the IFRIC 12 model applicable to the Company is the intangible asset model, since the Group has the right to charge for natural gas distribution services, which are associated with the actual consumption of users, and are within the regulatory regime established by the regulator OSINERGMIN. Expansions to the infrastructure are recorded as additions to intangible assets, simultaneously recognizing the related construction income, since they are expected to generate future economic benefits for the Group since, according to the Law, they are remunerated through tariffs.

The amount of anticipated GRP received during the pre-operational stage is presented net of the value of the intangible asset, as it represents a lower value of the intangible asset, since the related financial assets have already been recovered in the first years of the concession.

The contract does not foresee any specific obligation to perform major maintenance and to date the Group's projections do not consider any significant future maintenance. However, due to the nature of the concession assets, maintenance is of a constant and periodic nature and is part of the operation and maintenance costs, and therefore is recognized as an expense when incurred.

Construction revenues for concession assets are measured at the fair value of the consideration received or receivable.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Estimates of useful life, residual interest, if any, and amortization method are reviewed periodically to ensure that the amortization method and period are consistent with the expected pattern of economic benefits of the concession asset items. The useful life of the concession assets is the remaining term of the concession contract.

4.7. Impairment of tangible and intangible assets

At the end of each reporting period, the Group evaluates the carrying amounts of its tangible and intangible assets to determine whether there is an indication that these assets have suffered any impairment. If so, the recoverable amount of the asset is estimated to determine the extent of the impairment (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation is identified, common assets are also allocated to individual cash-generating units or distributed to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life or not yet available for use must be tested for impairment annually, or more frequently if there is any indication that they may be impaired.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In estimating value in use, the estimated future cash flows are discounted from present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the estimated recoverable amount of an asset (or cash-generating unit) is less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized immediately in profit or loss.

When the impairment is subsequently reversed, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognized for that asset (or cash-generating unit) in prior years. The reversal of impairment is automatically recognized in profit or loss.

4.7.1. Impairment of investments in subordinates and associated – At the end of each reported period, the Company evaluates the carrying amounts of its investment assets in subordinates and associated in order to determine whether there is any indication that these assets have been impaired. In such a case, the recoverable amount of the asset is calculated in order to determine the extent of the impairment (if any).

4.7.2. Impairment of the assets' value – property, plant, and equipment, and investment properties – The property, plant, and equipment, and intangible assets are valued to calculate their impairment, when the events or changes in the circumstance suggest that the carrying amount could not be entirely collected. If the recoverable value of an asset is lower than its carrying amount, an impairment is recognized in the profit and loss statement. Future cash flows used to calculate fair value are discounted

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

using specific rates based on expectations on the future of the Company's operations, mainly estimates of sale, costs, capital investment, among others, changes in these estimates could impact the recoverable value of the assets. The estimates are periodically reviewed by management.

4.8. Investments in associates and joint ventures

An associate is an entity over which the Company has significant influence over financial and operating policy decisions, but not control or joint control.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement are entitled to the net assets of the arrangement.

At the acquisition date, the excess of the cost of acquisition over the interest in the net fair value of the identifiable assets, liabilities and contingent liabilities assumed of the associate or joint venture is recognized as goodwill. Goodwill is included in the carrying value of the investment, is not amortized and is individually assessed for impairment.

Investments in joint ventures and associates are included in the financial statements using the equity method.

Under the equity method, investments in associates and joint ventures are initially recognized in the statement of financial position at cost and are subsequently adjusted to account for the Company's share of profit or loss and other comprehensive income of the associate.

4.9. Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value as well as the identifiable net assets acquired. Any resulting capital gains are subjected to annual impairment tests. Any profit per purchase under very advantageous conditions is immediately recognized in profit or loss. Transaction costs are recorded as an expense when incurred, except if they relate to the issuance of debt or equity instruments.

The transferred compensation does not include amounts related to the settlement of pre-existing relationships. These amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay the contingent contribution that meets the definition of financial instruments is classified as equity, it should not be measured again, and its subsequent liquidation should be accounted for within the equity. Otherwise, the other contingent consideration is measured again at fair value at each balance sheet date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

4.10. Leases

A lease is defined as "a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period.

The Company assesses whether a contract contains a lease at its origin. The Company recognizes a right-of-use asset and a corresponding lease liability in respect of all leases in which it is a lessee, except for short-term leases (term of 12 months or less) and leases of low-value assets (such as electronic tablets, personal computers and small items of office furniture and telephones). For these leases, the Company recognizes rental payments as an operating expense under the straight-line method over the lease term, unless another method is more representative of the time pattern in which the economic benefits from the consumption of the leased assets.

Identification of an asset - The asset that is the subject of a lease must be specifically identified. This will be the case if any of the following apply:

- The asset is explicitly specified in the contract (e.g., a specific serial number); or
- The asset is implicitly specified at the time it is made available for use by the customer (e.g., when there is only one asset that can be used to satisfy the terms of the contract).

Initial measurement of a right-of-use asset - At the starting date, a lessee shall measure a right-of-use asset at cost. The cost of the right-of-use asset shall comprise:

- The amount of the initial measurement of the lease liability;
- Lease payments made before or as of the starting date, less lease incentives received;
- The initial direct costs incurred by the lessee; and
- An estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee could incur obligations because of those costs either on the starting date or because of having used the underlying asset during a particular period.

Initial measurement of lease liability - At the starting date, a lessee shall measure the lease liability at the present value of the lease payments that have not been paid at that date.

Lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

At the starting date, lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the starting date:

- Fixed payments, less any lease incentive receivable;
- Variable lease payments, which are dependent on an index or rate, initially measured using the index or rate at the starting date
- Amounts expected to be paid by the lessee as residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to pursue that option
- Penalty payments for terminating the lease, if the lease term reflects that the lessee will exercise an option to end the lease.

Subsequent measurement of the right-of-use asset - After the starting date, the Company will measure its right-of-use asset using the cost model.

4.11. Costs of loans

Loan costs directly attributable to the acquisition, construction or production of qualifying assets, which require a substantial period until they are ready for use or sale, are added to the cost of those assets during that time until they are ready for use or sale.

Income earned on the temporary investment of specific unused loan proceeds in qualifying assets is deducted from loan costs eligible for capitalization.

All other loan costs are recognized in income in the period in which they are incurred.

4.12. Employee benefits

Employee benefits comprise:

(a) short-term employee benefits, such as the following, if they are expected to be settled in full within twelve months after the end of the annual reporting period in which the employees render the related services:

- (i) wages, salaries and social security contributions;
- (ii) paid leave and paid sick leave entitlements;
- (iii) profit sharing and incentives; and

(b) Post-employment and other long-term benefits.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

In the case of defined benefit plans, which include seniority premiums and pensions, their cost is determined using the projected unit credit method, with actuarial valuations performed at the end of each reporting period.

Remeasurements recognized in other comprehensive income are immediately reflected in retained earnings and are not reclassified to income.

Net interest is calculated by applying the discount rate at the beginning of the period of the defined benefit asset or liability. Defined benefit costs are classified as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses from curtailments or settlements).
- Net interest expense or income.
- Remeasurements

The Company presents the first two components of defined benefit costs as an expense or income depending on the item. Curtailment gains and losses are recognized as past service costs.

The postretirement benefit obligations recognized in the statement of financial position represent the current gains and losses on the Entity's defined benefit plans. Any gain arising from this calculation is limited to the present value of any economic benefit available from refunds and reductions of future contributions to the plan.

4.13. Taxes

Taxes comprise the value of the mandatory levies for private liquidations determined on the tax bases of the fiscal period, in accordance with national and territorial tax regulations.

Income tax expense represents the sum of current income tax payable and deferred tax.

Current tax - The current tax payable is based on taxable income recorded during the year. Taxable income differs from the income reported in the statement of comprehensive income due to items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax liability is calculated using tax rates enacted or substantively enacted at the end of the reporting period. The Company determines the provision for income tax and supplementary taxes based on taxable income, estimated at rates specified in the tax law.

Deferred tax - Differences between the book value of assets and liabilities and their tax base generate deferred tax assets or liabilities, which are calculated using the tax rates that are expected to be in effect when the assets and liabilities are realized, considering for such purpose the rates that at the end of the reporting period have been approved or for which the approval process has been practically completed.

Deferred tax assets are recognized for all deductible temporary differences, losses and unused tax credits to the extent that it is probable that sufficient future taxable profits will be available to recover the deductions for temporary differences and to realize the tax credits, unless the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that:

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

- It is not a business combination; and
- At the time it was made, it did not affect either the accounting profit or the tax gain (loss).

With respect to deductible temporary differences related to investments in subsidiaries, associates and joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and that taxable profits will be available against which the temporary differences can be used.

Deferred tax liabilities are recognized for all temporary differences, except those arising from the initial recognition of goodwill and those arising from the valuation of investments in subsidiaries, associates and joint ventures, where the Company can control the reversal thereof and it is probable that they will not reverse in a foreseeable future.

The effect of temporary differences that result in the payment of a lower or higher income tax in the current year is recorded as a deferred tax credit or debit respectively at the tax rates in effect when the differences reverse if there is a reasonable expectation that such differences will reverse in the future and furthermore for the asset, that enough taxable income will be generated at that time.

Income tax expense is accounted for in accordance with IAS 12 "Income Taxes".

Current tax and changes in deferred tax assets or liabilities are recorded in profit or loss or in Total Equity in the statement of financial position, depending on where the gains or losses giving rise to them have been recorded.

Any reductions that may be applied to the amount determined as current tax liabilities are charged to profit or loss as a credit to "Income tax expense", unless there are doubts as to their tax realization, in which case they are not recognized until their effective materialization, or they correspond to specific tax incentives, in which case they are recorded as grants.

At each accounting close, the deferred tax assets and liabilities are reviewed to verify that they are still in force, and the appropriate adjustments are made in accordance with the results of the analysis.

Income tax is presented net, after deducting advances paid and withholdings at source.

Deferred tax assets and liabilities are presented net in the statement of financial position, if there is a legally enforceable right to offset current tax assets versus current tax liabilities, and only if these deferred taxes relate to income taxes corresponding to the same tax authority.

Social Investment Law – (Tax Reform 2021)

In September 2021, the Tax Law in Colombia was modified through Law 2155 increasing the income tax rate from 2022 to 35%, rate that will be reviewed 5 years after this Law comes into force.

Other modification introduced by the Social Investment Law correspond to the tax discount for industry and commerce tax, which is kept at 50%, leaving unapplied the 100% discount previewed for 2022.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Decree 1311 of 2021:

The Company decided to recognize with charge the accumulated profits in equity, the variation in the deferred income tax, derived from the increase in the income tax rate, in accordance with the provisions of the Social Investment Law 2155 of September 14, 2021.

The aforementioned is as established in Decree 1311 of October 20, 2021, issued by the Ministry of Industry and Commerce.

4.14. Provisions

Obligations existing at the date of these financial statements, arising because of past events that could result in a probable loss for the Company, the amount and timing of which are uncertain, are recorded in the statement of financial position as provisions for the present value of the most probable amount that the Company estimates it will have to disburse to settle the obligation.

Provisions are quantified based on the best information available at the date of issuance of the financial statements on the consequences of the event giving rise to them and are re-estimated at each subsequent balance sheet date.

As part of the provisions, the Company includes the best estimate of the risks for civil, labor and administrative litigation, so it is not expected that these will result in additional liabilities to those recorded; given the characteristics of the risks covered by these provisions, it is not possible to determine a certain date of cancellation of the estimated obligation. In assessing the probability of loss, available evidence, case law and legal evaluation should be considered.

Risks from civil and labor litigation that are considered contingent are disclosed in the notes to the financial statements.

A contingent asset arises from the existence or nonexistence of one or more uncertain events in the future that are not wholly within the control of the entity. It is disclosed when the inflow of benefits is probable; if the realization of the revenue is virtually certain, it is recognized in the financial statements. The Group shall refrain from recognizing any asset of a contingent nature.

Contingent liabilities are not recognized but are subject to disclosure in the explanatory notes when it is probable that an outflow of resources will be required, including those whose values cannot be estimated.

Disbursements related to environmental conservation, linked to income from current or future operations, are recorded as expenses or assets, as appropriate. The creation of these provisions coincides with the identification of an obligation related to environmental remediation and the Company has adequate information to determine a reasonable estimate of the respective cost.

Expenditures related to past operations that do not contribute to current or future revenues are recognized as expenses.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

4.15. Derivative financial instruments

Operations with derived financial instruments - Derivatives are initially recognized at fair value at the date the derivative contract is entered into and subsequently remeasured at fair value at the end of the reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of recognition in profit or loss depends on the nature of the hedging relationship.

Hedges of net investment abroad - GEB uses different financial instruments to manage its exposure to exchange rate risks. The financial obligations are measured at their amortized cost. Profit or loss from the effect of difference in exchange for the obligations in foreign currency are recognized in the profit and loss of the period unless the financial obligation is designated as a hedge instrument, in which case the moments of recognition in profit and loss depends on the nature of the hedge relationship.

Hedge is classified as a net investment abroad when the exchange rate risk originated by the effect of exchange of a net investment abroad is covered.

The effective portion of the changes in the financial liabilities designated that qualify as hedges of a net investment are recognized in other comprehensive income and accumulated under the title of hedge of net investment.

The amounts previously recognized in other comprehensive income and accumulated in equity are reclassified in profits in the periods in which the item covered is recognized in profit.

Hedge accounting is discontinued when the item covered matures or is sold, or when it stops fulfilling the criteria for hedge accounting.

4.16. Recognition of income

The Group recognizes revenue from ordinary activities in a manner that represents the transfer of goods or services committed to customers in exchange for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Group recognizes revenue from ordinary activities in accordance with this basic principle by applying the following steps:

- i. Identifying the contract (or contracts) with the customer
- ii. Identifying the performance obligations in the contract
- iii. Determining the transaction price
- iv. Allocating the transaction price between the performance obligations of the contract
- v. Recognizing revenue when (or as) the entity satisfies a performance obligation

When (or as) a performance obligation is satisfied, the Group shall recognize as revenue from ordinary activities the amount of the transaction price that is allocated to that performance obligation.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

A contract is an agreement between two or more parties that creates enforceable rights and obligations. Contracts may be written, verbal or implicit in the Group's traditional business practices

The Group recognizes revenue from contracts with customers for the activity of power transmission, transportation and distribution of natural gas, recognized at a point in time.

4.17. Recognition of costs and expenses

Costs and expenses are recognized by the Company to the extent that occur economic facts in such a way that they are systematically registered in the corresponding accounting period, independent of the monetary resources or financial flows. Expenses are comprised of expenditures that are not classified to be recorded as a cost or as an investment.

Costs include personnel or third-party costs directly related to the rendering of services, depreciation, amortization, among others.

Expenses include maintenance of assets, taxes, utilities, among others. All of them incurred by the processes responsible for the provision of services.

Costs directly related to the formation or acquisition of an asset that requires a substantial period of time to bring it to a condition for use and sale are included as investments. Among others, personnel costs directly related to the construction of projects, interest costs on debt used to finance projects and major maintenance costs that increase the useful life of existing assets, among others, are capitalized as construction in progress.

4.18. Statement of cash flows

The statement of cash flows shows the cash movements during the year, determined by the indirect method using the following expressions as shown below:

- Cash flows: inflows and outflows of cash or cash equivalents, understood as investments with a term of less than three months with high liquidity and low risk of changes in value.
- Operating activities: activities that constitute the principal source of the Company's ordinary income, as well as other activities that cannot be classified as investing or financing activities.
- Investing activities: the acquisition, sale or disposal by other means of non-current assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the size and composition of total equity and financial liabilities.

4.19. Earnings per share

Basic earnings per share are calculated by dividing net income attributable to the company by the weighted average number of common shares outstanding during the period.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

5. Critical accounting judgments and estimates

In the application of accounting policies, which are described in note 5, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that do not appear to arise from other sources. The associated estimates and assumptions are based on historical experience and other factors considered relevant. Actual results could differ from those estimates.

The underlying estimates and assumptions are reviewed regularly. Revisions to accounting estimates are recognized in the period of the revision if the revision affects only that period, or in future periods.

5.1. Critical judgments

The following are critical judgments, other than those involving estimations, that the Company's management has made in the process of applying the Company's accounting policies and that have a significant effect on the amounts recognized in the financial statements.

The judgments refer basically to:

Significant influence over EMGESA - The Company holds 76,710,851 shares of Emgesa S.A. E.S.P., representing a 51.51% interest, of which 55,758,250 shares are common shares with voting rights and 20,952,601 are preferred shares without voting rights, but provide a right to a preferred dividend of USD \$0.1107 per share. The Company's management has determined that based on its contractual rights it has significant influence over Emgesa.

Significant influence over CODENSA - The Company holds 69,220,130 shares of Codensa S.A. E.S.P., representing a 51.32% interest, of which 49,209,331 shares are common shares with voting rights and 20,010,799 are preferred shares without voting rights, but provide a right to a preferred dividend of USD \$0.10 per share. The Company's management has determined that based on its contractual rights it has significant influence over CODENSA.

Contingencies - The Company has provided for estimated loss impacts related to various claims, situations or circumstances related to uncertain outcomes. The Company records a loss if an event occurred on or before the date of the statement of financial position and (i) information is available at the date the financial statements are issued that indicates that it is probable that the loss will occur, given the probability of uncertain future events; and (ii) the amount of the loss can be reasonably estimated. The Company continually evaluates contingencies for lawsuits, environmental remediation and other events.

Deferred taxes - Judgment is required to determine whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unused tax losses, require management to assess the likelihood that the Company will generate sufficient taxable income in future periods to use the deferred tax assets recorded. Assumptions about the generation of future taxable profits depend on expectations of future cash flows. Estimates of future tax earnings are based on expected cash flows from operations and judgment about the application of the tax laws in effect in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the Company's ability to realize the net deferred tax assets recorded at the reporting date could be affected.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

At the closing of these financial statements, the Company opted not to use tax loss carryforwards as a basis for the calculation of deferred taxes, the justification for this decision is based on the fact that there is no certainty as to the deductibility of such concept in the short term.

Functional currency - Management uses its judgment in determining its functional currency. The determination of the functional currency of Grupo Energía Bogotá S.A. E.S.P. and each of its investments in subsidiaries, associates and joint ventures is determined by evaluating the principle and indicators established in IAS 21: "Effect of changes in foreign currency exchange rates."

Cash-generating units - In performing impairment tests on non-current assets, assets that do not individually generate cash inflows that are largely independent of the cash inflows generated by other assets or groups of assets should be grouped to the cash-generating unit to which the asset belongs, which is the smallest identifiable group of assets that generates cash inflows in favor of the company that are largely independent of the cash flows derived from other assets or groups of assets. Management uses its judgment in determining the cash-generating units for impairment testing purposes.

Determination of average exchange rates for translation of financial statements - Consolidated revenues, costs and expenses of subsidiaries whose functional currency differs from the parent company's functional currency are translated to the presentation currency using the average exchange rate for the reporting period. Management considers that the average exchange rates approximate the rates in effect at the date of the transaction.

5.2. Key sources of uncertainty in estimates

Key assumptions regarding the future and other key sources of uncertainty in estimates at the end of the period, which have a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities during the next year.

Employee benefits - The cost of the defined benefit pension plan, other post-employment benefits and the present value of pension obligations are determined by actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual events in the future. These include the determination of the discount rate, future salary increases, mortality rates and pension increases. Due to the complexity of the valuation process and their long-term nature, the obligations are sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Impairment of Investments in associates - At the end of each reporting period, the Group assesses the carrying amounts of its investment assets in associates to determine whether there is an indication that these assets have suffered an impairment loss. If so, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Goodwill impairment - Determining whether goodwill is impaired involves calculating the value in use of the cash-generating units to which the goodwill has been allocated. The calculation of value in use requires the Company to determine the future cash flows that should arise from the cash-generating units and an appropriate discount rate to calculate the present value.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Impairment of assets - property, plant and equipment and investment property - Investments in joint ventures, other investments, advances and loans, property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recovered. If the recoverable amount of an asset is less than its carrying amount, an impairment loss is recognized in the income statement. Future cash flows that are used to calculate fair value are discounted using specific rates based on expectations of the future of the Company's operations, mainly estimates of sales, costs, commodity prices, capital expenditures, among others, changes in these estimates could impact the recoverable amount of the assets. The estimates are periodically reviewed by management.

Impairment of financial assets - The Group recognizes a provision for expected credit losses in investments in debt instruments that are measured at amortized cost or at fair value recognized in other comprehensive income, lease receivables, balances due from customers on construction contracts, as well as on credit commitments and financial guarantee contracts. No impairment loss is recognized for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to recognize changes in credit risk since the initial recognition of the respective financial instrument.

The Group records expected credit losses on its debt securities and trade receivables at the end of the reporting period. In determining expected credit losses under IFRS 9, GEB applies a simplified approach, which allows it not to monitor changes in credit risk, but to recognize a loss allowance based on expected credit losses over the life of the asset at each reporting date, i.e., to recognize expected credit losses resulting from possible events of default over the expected life of the financial instrument. Where there is objective evidence that a financial asset is impaired, the Group recognizes a provision for individual impairment loss, and excludes the item from the collective assessment under the expected loss model.

To determine expected credit losses, GEB and its subsidiaries have used an allowance matrix based on the number of days that a trade account receivable is past due, that is, grouping the portfolio by ranges of days of default and applying to the outstanding balance of accounts receivable at the measurement date for each range of days of default a percentage of expected default of each subsidiary is segmented into two homogeneous groups, industrial business and mass business.

The impairment loss is recognized in administrative and selling expenses in the Group's consolidated statement of income. When there is confirmation that the trade receivable is considered uncollectible, the gross carrying amount of the receivable is written off against the associated allowance.

Decommissioning, retirement or rehabilitation liabilities - Provision for future decommissioning, retirement and rehabilitation costs require estimates and assumptions about a relevant regulatory framework, the magnitude of possible disruptions, the duration, extent and costs of required closure and rehabilitation activities, and the risk-adjusted discount rates used to determine the present and future value of cash outflows. To the extent that real future costs differ from those estimated, adjustments are recognized, and the income statement will be impacted. The provisions, including the estimates and assumptions contained therein, will be reviewed regularly by management.

The calculations of these estimates are complex and involve significant judgments by management, such as internal cost projections, future inflation and discount rates.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Significant variations in external factors used in the calculation of the estimate may have a significant impact on financial statements.

6. Standards issued by IASB

6.1. Issued Standards and Amendments Applicable as from January 1, 2023

The amendments issued by the IASB during 2019 and 2020 that were adopted by Decree 938 of 2021 and will be effective as from January 1, 2023 are listed below, with early application being voluntary provided that the Standard allows it. The Company has not evaluated the possible impact that the applications of these amendments will have on its financial statements in the period in which they are applied for the first time.

Financial Reporting Standard	Topic of the Standard or Amendment	Detail
IFRS 9 – Financial Instruments IAS 39 – Financial Instruments: Recognition and Measurement IFRS 7 – Financial instruments: Information to Be Disclosed	Benchmark Interest Rate Reform (amendments to IFRS 9, IAS 39, and IFRS 7)	<p>Paragraphs 6.8.1 to 6.8.12 of IFRS 9 are added, regarding temporary exceptions to the application of specific hedge accounting requirements.</p> <p>Paragraphs 102A to 102N and 108G are added to IAS 39, regarding temporary exceptions to the application of specific hedge accounting requirements.</p> <p>Paragraphs 24H on uncertainty arising from the reform of the reference interest rate, 44DE and 44DF (effective date and transition) are incorporated.</p> <p>Early application is permitted (although no significant impact is expected for Colombian entities) and its requirements will be applied retrospectively only to hedging relationships that existed at the beginning of the reporting period in which the Entity first applies those requirements.</p>
IFRS 9 – Financial Instruments IAS 39 – Financial Instruments: Recognition and Measurement IFRS 7 – Financial Instruments: Information to Be Disclosed	Benchmark Interest Rate Reform - Phase 2	Paragraphs 5.4.5 to 5.4.9, “Changes in the basis for determining contractual cash flows as a result of the reform of the benchmark interest rate (measurement at amortized cost)”; 6.8.13, “Termination of the application of the temporary exception in hedge accounting”; 6.9.1 to 6.9.13, “Additional temporary exceptions arising from the reform of the benchmark interest rate”; 7.1.10,

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Financial Reporting Standard	Topic of the Standard or Amendment	Detail
IFRS 4 – Insurance Contracts IFRS 16 - Leases		<p>“Effective date”; and 7.2.43 to 7.2.46, “Transition for the reform of the benchmark interest rate Phase 2”, of IFRS 9, are added.</p> <p>Paragraph 102M, “Termination of the application of the temporary exception in hedge accounting” of IAS 39 is amended; paragraphs 102O to 102Z3, “Additional temporary exceptions arising from the reform of the benchmark interest rate”, and 108H to 108K, “Effective date and transition” of IAS 39 are added; and new headings of IAS 39 are added.</p> <p>Paragraphs 24I and 24J “Additional disclosures related to the reform of the benchmark interest rate”; 44GG and 44HH, “Effective date and transition”; and new headings of IFRS 7 are added.</p> <p>Paragraphs 20R and 20S, “Changes in the basis for determining contractual cash flows as a result of the reform of the benchmark interest rate”; paragraphs 50 and 51, “Effective date and transition date”, and new headings of IFRS 4 are added.</p> <p>Paragraphs 104 to 106, “Temporary exception arising from the reform of the benchmark interest rate” of IFRS 16 are amended; and paragraphs C20C and C20D, “Reform of the benchmark interest rate phase 2” of IFRS 16 are added.</p> <p>Early application is permitted.</p>
IFRS 3 – Business Combinations	Modifications by reference to the conceptual framework.	<p>Modifications are made to the references to align them with the conceptual framework issued by IASB in 2018 and incorporated to our legislation. In such sense, the identifiable assets acquired and liabilities assumed in a business combination, at the transaction date, will correspond to those that meet the definition of assets and liabilities described in the conceptual framework.</p>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Financial Reporting Standard	Topic of the Standard or Amendment	Detail
		<p>Paragraphs 21A, 21B, and 21C are incorporated regarding the exceptions to the recognition principle for contingent liabilities and contingent liabilities within the scope of IAS 37 and IFRIC 21.</p> <p>Paragraph 23A is incorporated to define a contingent asset and clarify that the acquirer in a business combination shall not recognize a contingent asset at the acquisition date.</p> <p>Earlier application is permitted. Any effect on its application will be made prospectively.</p>
IAS 16 – Property, Plant, and Equipment	Modified in relation to products obtained prior to intended use.	<p>The modification deals with costs directly attributable to the acquisition of the asset (which are part of the PP&E element) and refer to "the costs of testing whether the asset is functioning properly (i.e., whether the technical and physical performance of the asset is such that it can be used in the production or supply of goods or services, for leasing to third parties or for administrative purposes)".</p> <p>Paragraph 20A states that the production of inventories, while the element of PP&E is in the conditions foreseen by management, at the time of sale will affect the profit or loss for the period, together with its corresponding cost.</p> <p>Early application is allowed.</p> <p>Any effect on its application will be made retrospectively, but only to PP&E elements that are brought to the location and condition necessary for them to operate in the manner intended by Management as of the beginning of the earliest period presented in the financial statements in which the Entity first applies the modifications. The cumulative effect of the initial application of the modifications shall be recognized as an adjustment to the opening balance of accumulated earnings (or other component of equity as appropriate) as of the beginning of the earliest period presented.</p>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Financial Reporting Standard	Topic of the Standard or Amendment	Detail
IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets	Onerous Contracts - Cost of Contract Performance	<p>It is clarified that the cost of contract performance comprises costs directly related to the contract (direct work force costs and material costs, and the allocation of costs directly related to the contract).</p> <p>Early application is allowed.</p> <p>The effect of applying the amendment will not restate comparative information. Instead, the cumulative effect of the initial application of the amendments will be recognized as an adjustment to the opening balance of accumulated earnings or other component of equity, as appropriate, at the date of initial application.</p>
Annual Improvements to IFRS Standards 2018-2020	Amendments to IFRS 1 - First-time Adoption of International Financial Reporting Standards, IFRS 9 - Financial Instruments, and IAS 41 - Agriculture.	<p>Amendment to IFRS 1. Subsidiary that adopts IFRS for the first time. Paragraph D13A of IFRS 1 is added, incorporating an exemption on subsidiaries that adopt IFRS for the first time and take as balances in the opening statement of financial position the carrying amounts included in the financial statements of the Parent Company (Paragraph D16(a) of IFRS 1) so that it may measure the cumulative translation differences for the carrying amount of such item in the consolidated financial statements of the Parent Company (also applies to associates and joint ventures).</p> <p>Amendment to IFRS 9. Commissions in the "10% test" on the derecognition of financial liabilities. A text is added to paragraph B3.3.6, and paragraph B3.3.6A is added, especially to clarify the recognition of commissions paid (to profit or loss if it is a settlement of the liability, or as a reduction in the value of the liability if it is not a settlement).</p> <p>Amendment to IAS 41. Taxes on fair value measurements. The phrase "nor cash flows for tax" is removed from paragraph 22 of IAS 4. The reason for the above is because "prior to Annual Improvements to IFRS Standards 2018-2020, IAS 41 had required an entity to</p>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Financial Reporting Standard	Topic of the Standard or Amendment	Detail
		<p>use pre-tax cash flows when measuring fair value but did not require the use of a pre-tax discount rate to discount those cash flows". This aligns the requirements of IAS 41 with those of IFRS 13.</p> <p>Earlier application is permitted.</p>
ISA 1 – Presentation of Financial Statements	Amendments were made in relation to the classification of liabilities as current or non-current.	<p>This amendment was issued in January 2020, and subsequently amended in July 2020.</p> <p>It modifies the requirement to classify a liability as current, by establishing that a liability is classified as current when "it does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period date".</p> <p>It clarifies in the added paragraph 72A that "the right of an Entity to defer settlement of a liability for at least twelve months after the reporting period must be substantive and, as illustrated in paragraphs 73-75, must exist at the end of the reporting period"</p> <p>Earlier application is permitted. The effect of application on comparative information shall be retrospective.</p>
Extension of the Temporary Exemption from the Application of IFRS 9 - Financial Instruments	Amendments to IFRS 4 - Insurance Contracts	<p>Paragraphs 20A, 20J, and 20O of IFRS 4 are amended to allow the temporary exemption that permits, but does not require, an insurer to apply IAS 39 - Financial Instruments: Recognition and Measurement, instead of IFRS 9 for annual periods beginning before January 1, 2023 (due to a new international requirement contained in IFRS 17 from that date).</p>

The Company will quantify the impact on the financial statements once the Decree that incorporates them into the Colombian Technical Regulatory Framework is issued.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

7. Cash and Cash equivalents

For purposes of the statement of cash flows, cash and cash equivalents include cash and banks and investments in money market instruments, net of bank overdrafts. Cash and cash equivalents at the end of the period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

		<u>2021</u>	<u>2020</u>
Cash and Banking	USD	323.941	193.107
Cash equivalents (1)		100.945	54.885
		<u>424.886</u>	<u>247.992</u>

(1) Cash and equivalents are shown below:

		<u>2021</u>	<u>2020</u>
Short-term liquidity deposits	USD	37.966	37.792
Rights in securities funds and trusts		62.961	13.712
Others		<u>18</u>	<u>3.381</u>
		<u>100.945</u>	<u>54.885</u>

8. Investments

		<u>2021</u>	<u>2020</u>
Investments recorded at amortized cost:			
Certificados de depósitos (1)	USD	-	166.042
Other resources in trust funds		1.884	3.513
Investments in equity instruments		1.058	1.228
Investments at fair value through profit and loss		<u>28</u>	<u>43</u>
		2.970	170.826
Current		1.058	167.298
No current		<u>1.912</u>	<u>3.528</u>
		<u>2.970</u>	<u>170.826</u>

(1) As of December 31, 2020, certificates of deposit consist of:

<u>Investment</u>	<u>Entity</u>	<u>Issuance Date</u>	<u>Due Date</u>	<u>facial %</u>	<u>Values as of December 31, 2020</u>
CDT	Banco Bogota NY	07/12/2020	12/05/2021	0,52%	USD 52.018
CDT	Bancolombia Panama	07/12/2020	12/05/2021	0,40%	USD 52.014
CDT	BNP Paribas	07/12/2020	10/05/2021	0,25%	USD 24.004
CDT	Sumitomo	07/12/2020	12/05/2021	0,27%	USD 20.003
CDT	Bank Of Tokyo	07/12/2020	12/05/2021	0,25%	<u>USD 18.003</u>
					USD 166.043

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

9. Trade debtors and other receivables

		<u>2021</u>	<u>2020</u>
Clients	USD	289.789	314.623
Allowance for doubtful accounts		(81.814)	(77.608)
Net clients		207.975	237.015
Advances		4.758	7.059
Employees		13.816	16.918
Others (1)		29.861	17.689
Difficult to collect debts		50.479	17.255
Provision for impairment		(60.451)	(15.308)
Total Accounts receivable		246.439	280.629
Revenue to be billed		116.238	111.675
		<u>362.677</u>	<u>392.305</u>
Current		288.805	341.046
No current		73.873	51.259
	USD	<u>362.677</u>	<u>392.305</u>

(1) Corresponds mainly to balances receivable from OSINERMING for subsidies.

As of december 31, 2021 and 2020, the amount of the provision for impairment of accounts receivable amounts to USD (142.265.068) and USD (92.916.242), respectively. Changes in the provision for impairment of accounts receivable are described in the following table:

		<u>2021</u>	<u>2020</u>
Opening balance	USD	(80.111)	(65.249)
Increases		(23.988)	(26.268)
Reversals		(40.657)	442
Exchange Difference		6.944	(1.424)
Conversion effect		(4.452)	(417)
	USD	<u>(142.265)</u>	<u>(92.916)</u>

10. Tax assest

		<u>2021</u>	<u>2020</u>
Income tax (1)	USD	16.100	10.713
Prepaid taxes (2)		18.126	11.082
VAT - Balances in favor (3)		27.419	27.572
		<u>61.645</u>	<u>49.368</u>
Corriente		34.226	21.796
No corriente		27.419	27.572
		<u>61.645</u>	<u>49.368</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

- (1) The income tax credit balance corresponds to the difference between withholdings and self-withholdings made to companies and the current tax expense.
- (2) Corresponds to the withholdings and self-withholdings at the source practice during the periods and that at the end of the period Will be compensated with the liability for provisions of current income tax.
- (3) The balance corresponds mainly to tax credits for VAT paid on purchases, hiring of services and importation of construction materials by Transportadora de energía de Centroamérica S.A. by USD \$25.116 miles. Sufficient tax debits for taxable services have not been generated to offset the remaining tax credit.

11. Assets held for sale

	<u>2021</u>	<u>2020</u>
Land and buildings. net (1)	45.653	52.912

- (1) As of December 31, 2021, and 2020, the Company maintains the sale plans associated with these assets.

12. Other non – financial assets

		<u>2021</u>	<u>2020</u>
Insurance paid and deferred	USD	8.054	10.201
Judicial deposits		9.356	6.248
Others		<u>1.680</u>	<u>807</u>
	USD	<u>19.090</u>	<u>17.256</u>
Current		9.731	10.984
No current		<u>9.359</u>	<u>6.272</u>
	USD	<u>19.090</u>	<u>17.256</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

13. Non- controlling interest

Details of significant non-controlling interest at the end of the reporting period are as follows:

<u>Name of subordinate</u>	<u>Place of incorporation and operation</u>	<u>Proportion of shareholding and voting rights of the non-controlling interest</u>		<u>Accumulated non-controlling interest in USD</u>	
		<u>December 2021</u>	<u>December 2020</u>	<u>December 2021</u>	<u>December 2020</u>
Gas Natural de Lima y Callao S.A.	Perú	40,00%	40,00%	\$ 143.376	\$134.121
<u>Name of subordinate</u>	<u>Place of incorporation and operation</u>	<u>Proportion of shareholding and voting rights of the non-controlling interest</u>		<u>Income (loss) allocated to non-controlling interest in USD</u>	
		<u>December 2021</u>	<u>December 2021</u>	<u>December 2021</u>	<u>December 2020</u>
Gas Natural de Lima y Callao S.A.	Perú	40,00%	40,00%	\$ 35.989	\$ 29.931
<u>As of December 31, 2021</u>		<u>Current assets</u>	<u>Non-current assets</u>	<u>Current liabilities</u>	<u>No current liabilities</u>
Gas Natural de Lima y Callao S.A.	USD	\$110.913	\$411.154	\$72.877	\$305.814
<u>As of December 31, 2020</u>		<u>Current assets</u>	<u>Non-current assets</u>	<u>Current liabilities</u>	<u>No current liabilities</u>
Gas Natural de Lima y Callao S.A.	USD	\$169.893	\$913.145	\$157.902	\$589.833
<u>As of December 31, 2021</u>		<u>Revenues</u>	<u>Profit for the year</u>	<u>Dividends declared</u>	
Gas Natural de Lima y Callao S.A.	USD	\$299.021	\$38.277	\$64.534	
<u>As of December 31, 2020</u>		<u>Revenues</u>	<u>Profit for the year</u>	<u>Dividends declared</u>	
Gas Natural de Lima y Callao S.A.	USD	\$571.079	\$69.542	\$80.486	

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

14. Investment in associates and Joint ventures

<u>Name of the associated</u>	<u>Principal Activity</u>	<u>Place of incorporation and operation</u>	<u>Proportion of ownership and voting shareholding and voting power</u>		
			<u>Type</u>	<u>2021</u>	<u>2020</u>
Emgesa S.A. E.S.P.	Energy	Colombia	Regular	37,44%	37,44%
Emgesa S.A. E.S.P.	Energy	Colombia	Preferential	14,07%	14,07%
Codensa S.A. E.S.P.	Energy	Colombia	Regular	36,49%	36,49%
Codensa S.A. E.S.P.	Energy	Colombia	Preferential	14,83%	14,83%
Consortio Transmantaro S.A.	Energy	Perú	Ordinaria	40,00%	40,00%
Red de Energía del Perú S.A.	Energy	Perú	Ordinaria	40,00%	40,00%
Agencia Analítica de Datos S.A.S.	Others	Colombia	Regular	40,00%	-
Gas Natural S.A. E.S.P.	Gas	Colombia	Regular	24,99%	24,99%
EMSA S.A. E.S.P.	Energy	Colombia	Regular	16,23%	16,23%
Promigas S.A. E.S.P.	Gas	Colombia	Regular	15,24%	15,24%

<u>Name of joint venture</u>	<u>Principal Activity</u>	<u>Place of incorporation and operation</u>	<u>Type</u>	<u>2021</u>	<u>2020</u>
Goiás Transmissao S.A.	Electricity generation	Brasil	Ordinaria	51,00%	51,00%
Mge Transmissao S.A.	Electricity generation	Brasil	Ordinaria	51,00%	51,00%
Transenergia Renovavel S.A.	Electricity generation	Brasil	Ordinaria	51,00%	51,00%
Transenergia Sao Paulo S.A.	Electricity generation	Brasil	Ordinaria	51,00%	51,00%
ARGO S.A.	Electricity generation	Brasil	Ordinaria	50,00%	50,00%

The corporate purpose and other relevant information of the main associated companies is as follows:

Emgesa S.A. E.S.P.- The Company was incorporated on October 23, 1997 whose main corporate purpose is the generation and commercialization of electric energy. As of december 31, 2021 and december 31, 2020, GEB S.A. E.S.P., has 76.710.851 (51,51%) shares of which 20.952.601 correspond to non-voting shares with a preferential dividend of USD\$0.1107 per share.

Codensa S.A. E.S.P. – The Company was incorporated on October 23, 1997 through the contribution of the distribution and commercialization. As of december 31, 2021 and 2020 GEB S.A. E.S.P. maintain participation equivalent to 51.32% of its capital stock. As of december 31, 2021 and 2020, Grupo Energía Bogotá S.A. E.S.P. has 69.220.130 shares of which 20.010.799 correspond to non-voting shares with a preferential dividend of USD\$0,10 per share.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Dated July 27, 2021, Extraordinary Shareholders' Meetings of the companies Enel-Emgesa, Enel-Codensa, and Enel Green Power took place, where the agreement of fusion of the societies Emgesa S.A. E.S.P. (the absorbing company), Codensa S.A. ESP, Enel Green Power Colombia S.A.S. ESP and ESSA2 SpA (the companies to be absorbed) was approved.

Consortio Transmantaro S.A. – CTM– Transmantaro is a Peruvian company domiciled in the city of Lima. It was incorporated in January 1998, but it was on December 13, 2006 that GEB became part of this company. Its main activity is the transmission of electric power and it provides operation and maintenance services. GEB directly owns 40% of the capital stock.

Red De Energía Del Perú S.A. – REP– is a Peruvian company domiciled in the city of Lima. It was incorporated on July 3, 2002. REP offers electric power transmission services, associated services, among which are operation and maintenance services of power transmission and transportation facilities and specialized technical services. GEB directly owns 40% of the capital stock of this company.

Gas Natural S.A E.S.P. - It was incorporated as a commercial company on April 13, 1987. In June 1997, the sale process of Ecopetrol's participation in the company culminated, entering as new majority shareholder a Spanish Investor Group, through the company Gas Natural Latinoamericana. In 1999, the shareholding of the Spanish Investor Group was defined, through Gas Natural Internacional SDG. The purpose of this company is the distribution and commercialization of natural gas, as well as the execution of exploration, production, generation, transportation and/or transmission, distribution and commercialization of any type of energy.

According to minute No 270 of October 25, 2018, the board of directors approved the socialization of the new brand called "VANTI S.A. E.S.P." widespread as of November 23, 2018.

To the date of report, GEB, for its share percentage and other relevant aspects, exerts significant influence over its investment.

Electrificadora del Meta S.A E.S.P. – EMSA - EMSA - Electrificadora del Meta S.A. E.S.P., is a joint stock company that is part of the companies of the Nation and its main purpose is to provide the public electric energy service.

EMSA E.S.P. develops activities of commercialization and distribution of electric energy in 24 of the 29 municipalities of the Department of Meta.

To the date of report, GEB, for its share percentage and other relevant aspects, exerts significant influence over its investment.

Promigas S.A E.S.P. - Colombian company whose purpose is the purchase, sale, transportation, distribution, exploitation and exploration of natural gas, oil and hydrocarbons in general and of the gas and oil activity in all its manifestations..

To the date of report, GEB, for its share percentage and other relevant aspects, exerts significant influence over its investment.

Transenergia Renovável S.A.- TER - Incorporated on December 18, 2008, in the form of a closed joint stock company, by Furnas Centrais Elétricas SA and Gebbras Participações Ltda, winner of Lot C of Auction No. 008/2008 of the National Electric Energy Agency (ANEEL), to execute the object of Concession Contract No. 009/2009.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

In the electric power transmission sector, TER is responsible for the construction, operation and maintenance of transmission lines and substations located in the states of Goiás, Mato Grosso and Mato Grosso do Sul, with the objective of draining the surplus energy from the cogeneration processes of seven sugar and alcohol plants in the region.

Transenergia São Paulo S.A.- TSP – Incorporated on July 8, 2009, in the form of a closely held corporation, currently Furnas Centrais Elétricas S.A. and Gebbras Participações Ltda., winner of Lot G of the National Electric Energy Agency (ANEEL) Auction No. 001/2009, to execute the object of Concession Contract No. 024/2009.

Operating in the electric power transmission sector, TSP is responsible for the construction, operation and maintenance of transmission facilities located in the State of São Paulo.

Goiás Transmissão S.A. – GOT - Incorporated on February 3, 2010, in the form of a closely-held corporation, currently Furnas Centrais Elétricas SA. and Gebbras Participações Ltda., winner of Lot A of the National Electric Energy Agency (ANEEL) Auction No. 005/2009, to execute the object of Concession Contract No. 002/2010.

Operating in the electric power transmission sector, GOT is responsible for the construction, operation and maintenance of transmission lines located in the State of Goiás.

MGE Transmissão S.A. – MGE - Incorporated on February 3, 2010, in the form of a closely-held corporation, currently Furnas Centrais Elétricas SA. and Gebbras Participações Ltda., winner of Lot G of the National Electric Energy Agency (ANEEL) Auction No. 005/2009, to execute the object of Concession Contract No. 008/2010.

Operating in the electric power transmission sector, MGE is responsible for the construction, operation and maintenance of transmission lines located in the states of Minas Gerais and Espírito Santo.

Argo Energia Empreendimentos e Participações S.A.: Grupo Energía Bogotá S.A. E.S.P. (GEB), pursuant to the authorization of its Board of Directors, granted in ordinary session 1620 of October 30, 2019 and, the Spanish company Red Eléctrica Internacional S.A.U. (REI), a subsidiary of Grupo Red Eléctrica, reached an agreement with funds managed by Patria Investments and Sommerville Investments B.V., an indirect integral subsidiary of Temasek Holdings (Private) Limited, to acquire jointly and in equal parts, 100% of the common shares of the Brazilian company Argo Energia Empreendimentos e Participações S.A. ("Argo").

In view of the foregoing and in compliance with the share purchase agreement signed on November 22, 2019, on March 25, 2020, Grupo Energía Bogotá S.A. ESP and Red Eléctrica Brazil Holding Ltda., a subsidiary of Red Eléctrica Internacional, S.A.U. have concluded the process of acquisition of all the ordinary shares issued by Argo Energia Empreendimentos e Participações S.A. under the terms agreed in the Share Purchase Agreement.

Argo is a platform that is part of Brazil's electricity transmission system and has three concessions in the states of Ceará, Maranhao, Minas Gerais, Piauí, and Rondônia, and will have 1,460km of 500 and 230 kV transmission lines and 11 substations, once the construction process of its concessions Argo II and Argo III is completed. The main Argo concession is Argo I, which has been operational since October 2019.

On February 2022 the Brazilian society Argo Energia Empreendimentos e Participações S.A. (Argo), held shares of GEB by 50%, complying with the conditions of the shares' trade contract signed with Rialma Administração e Participações S.A., and after the regulating authorities in Brazil approved the operation, acquires the totality of the share capital of Rialma Transmissora de Energia III S.A. (Rialma III).

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Agencia Analítica de Datos - AGATA: Grupo Energía Bogotá S.A. E.S.P. joined as a founding partner, with a share of 40%, in the creation of Agencia Analítica de Datos (Ágata), entity that will allow to improved the quality of life of the citizens by using information analysis and improving decision-making.

As of December 31, 2021

	Total net assets of Associates / joint <u>ventures</u>	Company's share of net assets of associates/joint <u>ventures</u>	<u>Goodwill</u>	<u>Others</u>	Carrying <u>amount</u>
<u>Associates</u>	<u>USD</u>		<u>USD</u>	<u>USD</u>	<u>USD</u>
Emgesa S.A. E.S.P. (1)	\$1.279.183	51,51%	307.483	2.079	\$968.469
Codensa S.A. E.S.P. (1)	811.621	51,32%	117.157	1.790	535.484
Gas Natural S.A. E.S.P	146.016	24,99%	48.693	-	85.196
Red de Energía del Perú S.A.	128.177	40,00%	-	-	51.271
Consortio Transmantaro S.A.	420.080	40,00%	11.325	-	179.357
Promigas S.A. E.S.P.	1.252.105	15,24%	35.117	-	225.910
Agencia Analítica de Datos S.A.S.	3.706	40,00%	-	-	964
EMSA, S.A. E.S.P.	80.018	16,23%	-	-	12.983
Total interest in associates					<u>2.059.634</u>
<u>Joint ventures</u>					
Goiás Transmissao S.A.	59.641.662	51,00%	\$ -	\$ -	30.417
Mge Transmissao S.A.	58.021.280	51,00%	-	-	29.591
Transenergia Renovavel S.A.	32.963.006	51,00%	-	-	16.811
Transenergia Sao Paulo S.A.	15.361.101	51,00%	-	-	7.810
Argo S.A.	697.862.934	50,00%	-	-	<u>348.931</u>
Total interest in joint ventures					<u>433.560</u>
Total interest in associates and joint ventures					<u>2.493.195</u>

(1) For purposes of calculating the book value of the investment, the equity of Emgesa S.A. E.S.P. and Codensa S.A. E.S.P. is reduced by the effect of the preferred dividends.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

As of December 31, 2020

	Total net assets of associates /joint <u>ventures</u>	Company's share of net assets of associates/joint <u>ventures</u>	<u>Goodwill</u>	<u>Otros</u>	Carrying <u>amount</u>
<u>Associates</u>	USD		USD	USD	USD
Emgesa S.A. E.S.P. (1)	1.501.948	51,51%	356.632	2.110	1.131.201
Codensa S.A. E.S.P. (1)	989.777	51,32%	135.884	1.801	644.626
Gas Natural S.A. E.S.P.	159.527	24,99%	56.476	-	96.357
Red de Energía del Perú S.A.	171.113	40,00%	-	-	68.445
Consortio Transmantaro S.A.	471.766	40,00%	13.136	-	201.842
Promigas S.A. E.S.P.	1.254.842	15,24%	40.730	-	231.942
EMSA, S.A. E.S.P.	80.208	16,23%	-	-	13.042
Total interest in associates					<u>2.387.455</u>
<u>Joint Ventures</u>					
Goiás Transmissao S.A.	67.809.131	51,00%	\$ -	\$ -	40.110
Mge Transmissao S.A.	44.165.268	51,00%	-	-	26.125
		51,00%	-	-	22.069
Transenergia Renovavel S.A.	37.308.975				
Transenergia Sao Paulo S.A.	20.071.537	51,00%	-	-	11.873
Argo S.A.	605.865.376	50,00%	-	-	351.354
Total interest in joint ventures					<u>451.531</u>
Total interest in associates and joint ventures					<u>2.838.986</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

As of December 31, 2021

	Income (loss) from associates/joint <u>ventures</u>	Company's share in net assets of associates/joint <u>ventures</u>	<u>Others</u>	<u>Carrying amount</u>
<u>Associates</u>	USD		USD	USD
Emgesa S.A. E.S.P.	427.787	51,51%	2.491	236.835
Codensa S.A. E.S.P.	244.758	51,32%	2.128	135.731
Gas Natural S.A. E.S.P.	69.056	24,99%	-	18.362
Red de energía del Perú S.A.	50.926	40,00%	-	21.666
Consortio Transmantaro S.A.	58.929	40,00%	-	25.071
Promigas S.A. E.S.P	288.621	15,24%	-	46.774
Agencia Analítica de Datos S.A.S.	-1.855	40,00%	-	(789)
EMSA S.A. E.S.P.	14.115	16,23%	-	2.436
Equity method by Associates				<u>\$486.085</u>
 <u>Join ventures</u>				
Goias Transmissao S.A.	15.881	51,00%	-	8.615
Mge Transmissao S.A.	13.281	51,00%	-	7.204
Transenergia Renovavel S.A.	5.155	51,00%	-	2.796
Transenergia Sao Paulo S.A.	3.835	51,00%	-	2.080
ARGO. S.A.	50.746	50,00%		26.987
Equity method in joint ventures				<u>47.682</u>
Total interest in associates and joint ventures				<u><u>533.767</u></u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

As of december 31, 2020

	Income (loss) from associates/joint ventures	Company's share in net assets of associates/joint ventures	Others	Carrying amount
<u>Associates</u>				
Emgesa S.A. E.S.P.	373.824	51,51%	2.156	180.002
Codensa S.A. E.S.P.	245.457	51,32%	1.860	117.980
Gas Natural S.A. E.S.P.	70.727	24,99%		16.432
Red de energía del Perú S.A.	50.482	40,00%		18.766
Consorcio Transmantaro S.A.	63.858	40,00%		23.739
Promigas S.A. E.S.P.	331.388	15,24%		46.927
EMSA S.A. E.S.P.	8.646	16,23%		1.304
Método de participación por asociadas				<u>405.151</u>
<u>Negocios conjuntos</u>				
Goias Transmissao S.A.	4.256	51,00%	-	2.017
Mge Transmissao S.A.	(308)	51,00%	-	(146)
Transenergia Renovavel S.A.	4.252	51,00%	-	2.015
Transenergia Sao Paulo S.A.	2.543	51,00%	-	1.205
ARGO. S.A.	50.801	50,00%		23.607
Método de participación en negocios conjuntos				<u>28.699</u>
Total interest in associates and joint ventures				<u>433.850</u>

Summarized financial information with respect to each of the Company's associates and businesses is presented below:

Associates

As of December 31, 2021

		<u>Current assets</u>	<u>Non-current assets</u>	<u>Current liabilities</u>	<u>No current liabilities</u>
Emgesa S.A. E.S.P.	USD	167.127	2.102.660	381.659	606.625
Codensa S.A. E.S.P.		429.789	1.856.791	572.235	900.722
Gas Natural S.A. E.S.P.		232.562	201.372	150.933	136.984
Red de energía del Perú S.A.		74.511	415.106	122.707	238.733
Consorcio Transmantaro.		142.241	1.680.105	124.849	1.277.416
Electrificadora del Meta S.A. E.S.P.		40.253	154.809	51.992	63.052
Promigas S.A. E.S.P.		7.872	2.239.458	103.841	976.787
Agencia Analítica de Datos S.A.S.		3.595	248	137	-

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

		<u>Revenues</u>	<u>Profit (loss) for the year</u>	<u>Dividends declared</u>
Emgesa S.A. E.S.P.	USD	1.262.753	454.995	245.915
Codensa S.A. E.S.P.		1.706.879	260.325	162.487
Gas Natural S.A. E.S.P.		787.263	73.448	16.121
Red de energía del Perú S.A.		178.846	54.165	28.256
Consorcio Transmantaro.		370.122	62.677	45.698
Electrificadora del Meta S.A. E.S.P.		156.704	15.013	1.044
Promigas S.A. E.S.P.		254.822	306.978	21.343
Agencia Analítica de Datos S.A.S.		181	1.973	-

As of December 31, 2020

		<u>Current assets</u>	<u>Non-current assets</u>	<u>Current liabilities</u>	<u>No current liabilities</u>
Emgesa S.A. E.S.P.	USD	352.864	2.413.104	570.959	693.060
Codensa S.A. E.S.P.		498.430	1.967.642	646.356	829.939
Gas Natural S.A. E.S.P.		177.655	280.947	232.635	66.441
Red de energía del Perú S.A.		56.820	445.173	61.649	269.231
Consorcio Transmantaro.		254.654	1.541.213	73.502	1.250.599
Electrificadora del Meta S.A. E.S.P.		51.910	159.250	77.298	53.654
Promigas S.A. E.S.P.		121.231	2.308.149	93.351	1.081.186

		<u>Revenues</u>	<u>Profit (loss) for the year</u>	<u>Dividends declared</u>
Emgesa S.A. E.S.P.		1.159.184	347.421	122.757
Codensa S.A. E.S.P.		1.547.031	228.120	81.764
Gas Natural S.A. E.S.P.		718.812	65.732	16.742
Red de energía del Perú S.A.		188.767	46.916	29.474
Consorcio Transmantaro.		349.313	59.348	27.317
Electrificadora del Meta S.A. E.S.P.		146.060	8.036	2.470
Promigas S.A. E.S.P.		259.870	307.982	18.165

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Join ventures*As of December 31, 2021*

	<u>Assets</u>	<u>Liabilities</u>	<u>Equity</u>	<u>Net income</u>
Goiás Transmissao S.A.	130.635	70.993	59.642	16.891
Mge Transmissao S.A.	86.027	28.006	58.021	14.126
Transenergia Renovavel S.A.	59.780	26.817	32.963	5.482
Transenergia Sao Paulo S.A.	39.193	23.832	15.361	4.079
ARGO S.A.	1.246.171	865.967	380.205	53.974

As of December 31, 2021

	<u>Assets</u>	<u>Liabilities</u>	<u>Equity</u>	<u>Net income</u>
Goiás Transmissao S.A.	123.123	44.475	78.648	3.956
Mge Transmissao S.A.	80.993	29.768	51.225	-286
Transenergia Renovavel S.A.	66.204	22.932	43.273	3.951
Transenergia Sao Paulo S.A.	38.181	14.901	23.280	2.363

15. Property, plant and equipment

		<u>2021</u>	<u>2020</u>
Cost	\$	USD 4.139.668	USD 4.141.831
Accumulated depreciation		(713.986)	(616.837)
Impairment		<u>(1.685)</u>	<u>(1.515)</u>
		<u>3.423.997</u>	<u>3.523.479</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in U.S. Dollars)

	<u>Lands</u>	<u>Construction in progress</u>	<u>Buildings</u>	<u>PPE component</u>	<u>Plants and pipelines</u>	<u>Nets, lines and cables</u>	<u>Machinery and equipment</u>	<u>Furniture and fixtures and office equipment</u>	<u>Computer and Communication equipment</u>	<u>Transport Equipment</u>	<u>Leases</u>	<u>Others</u>	<u>Total</u>	
USD														
Balance as of December 31, 2019	\$	24.499	721.024	107.690	7.450	2.638.421	195.805	230.207	13.311	15.649	12.364	10.728	5.266	3.982.414
Additions	\$	128	167.978	64	3.616	805	14	881	604	666	3	-	519	175.277
Capitalizations		-	-98.422	3.162	-	73.422	18.629	108	917	689	-	-	1	-1.493
Capitalized interest		-	10.614	-	-	-	-	-	-	-	-	-	-	10.614
Disposals		-8	-12	-	-	-130	-	-1.893	-782	-168	-	-60	-3	-3.055
Dismantling		-	-	-	-	45.527	-	-	-	-	-	-	-	45.527
Consumption		-	-1.705	-	-1.177	-	-	-	-	-	-	-	-	-2.882
Intangible transfers		-286	-5	-	-	-	-	-	-	-	-	-	-	-291
Transfers		-	-48.236	1.742	-2.026	34.415	5.512	5.405	291	424	-	-	-766	-3.238
Advance payments		-	2.889	-	-	-	-	-	-	-	-	-	-	2.889
Effect conversion		-627	-18.938	-2.165	-53	-14.343	-6.424	-19.989	-186	-592	-227	-146	-240	-63.931
Balance as of December 31, 2020	\$	23.706	735.186	110.494	7.810	2.778.116	213.536	214.720	14.155	16.668	12.140	10.522	4.778	4.141.831
USD														
Additions	\$	524	128.323	441	290	173	1.901	2.990	115	139	206	430	17	135.550
Capitalizations		-	-57.059	12.804	-	16.567	3.628	25.372	3.051	9.795	192	10.100	8	-2.228
Capitalized interest		-	10.437	-	-	-	-	-	-	-	-	-	-	10.437
Disposals		-194	-4.675	-2.974	-5.967	-486	822	1.331	416	-82	7.620	-36	-85	-24.687
Dismantling		-	-	-	-	2.058	-	-	-	-	-	-	-	2.058
Consumption		-	-	-	-1.191	-	-	-	-	-	-	-	-	-1.191
Transfers		-32.654	-26.201.409	3.867.968	-	6.608.375	17.669.976	-699.294	-163.771	-1.049.192	-	-	-	-
Effect conversion		-1.119	-65.635	-2.408	-507	-20.586	-15.147	-15.021	-491	236	-657	-434	-333	-122.102
Balance as of December 31, 2021	\$	22.884	720.376	122.225	436	2.782.449	220.767	226.031	10.149	25.708	3.878	382	4.384	4.139.668

BLANK SPACE

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

	<u>Buildings</u>	Plants and pipelines	Nets, lines and cables	Machinery and equipment	Furniture and fixtures and office equipment	Computer and Communication equipment	Transport Equipment	<u>Leases</u>	Others	<u>Total</u>	
USD											
Accumulated depreciation											
Balance as of December 31, 2019	\$	-20.849	-433.815	-19.241	-10.300	-6.111	-9.422	-6.123	-1.182	-1.389	-508.432
Depreciation		-4.154	-92.634	-5.293	-13.227	-1.877	-1.954	-2.028	-381	-89	-121.638
Disposals		-	35	-	845	44	170	-	-	1	1.176
Effect conversion		572	6.858	761	2.995	475	155	111	65		12.057
USD											
Balance as of December 31, 2020	\$	-24.431	-519.556	-23.773	-19.688	-7.797	-10.732	-7.996	-1.451	-1.413	-616.837
Depreciation		-5.414	-71.609	-12.609	-11.333	-485	-295	-165	-216		-108.710
Disposals		-	-1.134	-	-	489	986	7.617	16	42	12.660
Effect conversion		2.448	-1.857	1.430	1.053	166	213	55	159		-1.099
USD											
Balance as of December 31, 2021	\$	-27.397	-594.156	-34.952	-29.968	-7.626	-16.453	-462	-1.545	-1.427	-713.986
Deterioro											
Balance as of December 31, 2019	\$	-	-1.515	-	-	-	-	-	-	-	-1.515
Effect conversión		-	-	-	-	-	-	-	-	-	-
USD											
Balance as of December 31, 2020	\$	-	-1.514.639	-	-	-	-	-	-	-	-1.514.639
Additions		-	-	-	-92	-4	-11	-58	-	-	-165
Desrecognized		-	-	-	-3	-	-	-2	-	-	-6
Effect conversión		-	-	-	-	-	-	-	-	-	-
USD											
Balance as of December 31, 2021	\$	-	1.515	-	-95	-4	-11	60	-	-	-1.685

BLANK SPACE

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in U.S. Dollars)

16. Investment properties

	<u>2021</u>	<u>2020</u>
Lands	7.513	8.586
Buildings	57	108
Accumulated depreciation	(4)	(3)
USD	<u>7.566</u>	<u>8.691</u>

The amounts recorded in the financial statements do not differ significantly from their fair value.

All the Company's investment properties are held under freehold.

17. Assets for rights of use

Right-of-use assets as of December 31, 2021 comprise the following:

		Opening balance	<u>Additions</u>	<u>Asset retirement</u>	<u>Depreciation</u>	Effect of <u>conversion</u>	<u>Closing Balance</u>
Property	USD	\$ 10.346	11.078	(65)	(3.629)	(2.246)	15.484
Vehicle		149	7.732	-	(1.831)	866	6.916
Machinery and equipment		610	447	-	(313)	148	892
Computers		2.183	1.000	(421)	(1.995)	1.057	1.824
USD	\$	<u>13.288</u>	<u>20.257</u>	<u>(486)</u>	<u>(7.768)</u>	<u>(175)</u>	<u>25.116</u>

Right-of-use assets as of December 31, 2020 comprise the following:

		Opening balance	<u>Additions</u>	<u>Asset retirement</u>	<u>Depreciation</u>	Effect of <u>conversion</u>	<u>Closing Balance</u>
Property	\$	14.182	1.864	(546)	(5.745)	591	10.346
Vehicle		1.991	163	-	(1.904)	(101)	149
Machinery and equipment		339	577	-	(302)	(4)	610
Computers		3.837	185	-	(2.056)	217	2.183
USD	\$	<u>20.849</u>	<u>2.789</u>	<u>(546)</u>	<u>(10.007)</u>	<u>703</u>	<u>13.288</u>

18. Goodwill

	<u>2021</u>	<u>2020</u>
Grupo Dunas	USD 49.958	55.055
Transportadora de Gas Internacional S.A. E.S.P.	14.577	14.577
EEB Perú – Holding	<u>11.461</u>	<u>11.461</u>
USD	<u>75.996</u>	<u>81.093</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

To comply with the provisions of IAS 36 Impairment of Assets, we show below some of the key assumptions used in the impairment review for these indefinite-lived assets.

As of December 31, 2021, and 2020, the results of our assessments conclude that there is no impairment for these indefinite-lived assets.

Grupo Dunas:

- An average WACC of 6.2% is used to discount cash flows. The deleveraged beta of the Utility (General) sector (0.19) published by Damodaran is used.
- A decrease in revenues due to lower volume sold in 2020 is considered, partly offset by the higher sales price.
- Increase in energy purchase price and increase in generation cost due to higher average gas prices and higher volume consumed to meet the gas minimum at CGT Pedregal.
- Impact on the exchange rate due to devaluation in 2020. Gradual recovery in 2021 and 2022.
- Includes investments of USD 115 Billion. Mainly in renovation and expansion of equipment, expansion due to demand growth and new projects with third parties.
- Regulatory base of 12% during the whole projection.

Transportadora de Gas Internacional S.A. E.S.P.:

- An average WACC of 10.2% is used to discount cash flows. The deleveraged beta of the Oil/Gas Distribution sector published by Damodaran is used.
- The new tariff scheme that may be applied as of 2S 2022 (WACC 9.22%) is considered.
- Included in the CAPEX execution of more probable projects.
- Operational Efficiencies 2022 onwards USD 11 Billion

EEB Perú – Holding – Vehículo de inversión que posee el 60% de Calidda:

- An average WACC of 5.3% is used to discount cash flows. The deleveraged beta of the Utility (General) sector (0.19) published by Damodaran is used.
- Regulatory base of 12% during the whole projection.
- Increased revenues thanks to the development of regulated (investments incorporated in the new tariff period and a 17% tariff increase as of May 2022) and non-regulated businesses (connections, non-bank financing and development of the NGV market).
- Includes investments of approximately USD 490 billion for the new tariff period

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

19. Intangible assets

		<u>2021</u>	<u>2020</u>
Concession assets (1)	USD	1.663.872	1.522.073
Business rights (2)		239.441	249.101
Easement		188.691	166.112
Software and licenses		76.286	48.232
Accumulated depreciation and impairment		<u>(490.566)</u>	<u>(460.856)</u>
	USD	<u>1.677.724</u>	<u>1.524.663</u>

	<u>Cost</u>		<u>Concession assets (1)</u>	<u>Business rights (2)</u>	<u>Easement</u>	<u>Software and licenses</u>	<u>Total</u>
Balance as of December 31, 2019	USD	\$	1.457.639	258.898	156.338	37.984	1.910.859
			-	-	-	-	-
Additions			73.722	-	14.482	6.024	94.229
Transfers			-4.201	-161	-3.318	5.339	-2.340
Disposals			-	-	-18	-	-18
Effect of conversion			60.887	2.082	5.704	605	69.278
Balance as of December 31, 2020	USD	\$	<u>1.522.073</u>	<u>249.101</u>	<u>166.112</u>	<u>48.232</u>	<u>1.985.519</u>
Additions			133.802	-	19.357	25.550	178.710
Transfers			-	-	6.351	2.465	8.815
Disposals			-	-	-174	-	-252
Effect of conversion			217.759	24.669	19.938	6.764	269.130
Balance as of December 31, 2021	USD	\$	<u>1.663.872</u>	<u>239.441</u>	<u>188.691</u>	<u>76.286</u>	<u>2.168.290</u>
Accumulated depreciation and impairment							
			<u>Concession assets (1)</u>	<u>Business rights (2)</u>	<u>Easement</u>	<u>Software and licenses</u>	<u>Total</u>
Balance as of December 31, 2019	USD	\$	(365.506)	(28.281)	(9.903)	(18.335)	(422.025)
Depreciation		\$	(51.793)	(2.515)	(1.934)	(7.284)	(63.525)
Impairment recoverability			21.896	-	-	-	21.896
Effect of conversion			(14.585)	(1.082)	(305)	(331)	(16.303)
Balance as of December 31, 2020	USD	\$	<u>(393.444)</u>	<u>(30.598)</u>	<u>(11.694)</u>	<u>(25.120)</u>	<u>(460.856)</u>
Depreciation		\$	(47.920)	(2.184)	(2.567)	(5.535)	(58.206)
Impairment expense			31.027	-	-	(1.385)	29.642
Disposals			-	-	-	8	8
Others			-	-	(2)	(87)	(89)
Effect of conversion			(1.050)	(133)	(133)	252	(1.065)
Balance as of December 31, 2021	USD	\$	<u>(411.387)</u>	<u>(32.915)</u>	<u>(14.396)</u>	<u>(31.867)</u>	<u>(490.566)</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

The useful lives used for the calculation of depreciation are as follows:

Easement	30 years old
Software and licenses	10 years

(1) Concession assets**Contugas S.A.C.**

Concession assets represent the rights of collection for the natural gas distribution services, associated to the users' real consumption, and are within the regulatory regime established by the regulatory entity OSINERGMIN. The value of the intangibles of Contugas S.A.C. is USD \$298.949 thousand.

On April 30, 2014, the main network and branches that provide gas to the cities of Macona and Nazca started operations; therefore, from that date the amortization of the totality of the concession assets is recorded. The distribution assets in process correspond to contract assets represented by network construction that at the date of the financial position statement have not been gasified. Once they are gasified, they are transferred to the item "distribution assets."

As of December 31, 2021 and 2020, the Company has accumulated results for US\$17.475 thousand and US\$10.151 thousand, respectively, mainly in relation with the operations of the Company and the estimated impairment of the concession assets that for 2021 generated a recovery of US\$33.000 thousand and US\$20.350 thousand for 2020. That impairment estimation has been made on the basis of the investment recovery of future flows of the Company. During 2021 and 2020, Contugas has not received shareholder capital contributions.

Contugas' management estimates continuing to comply with the business plans that will allow to recover the value of long-life assets. Those business plans include flows derived from income for gas distribution to be generated as a result of the implementation of electric generation projects and Liquid Natural Gas (LNG) in the concession zone in which Contugas operates and have been considered to measure the recovery value of the long-life assets. Likewise, it is expected to keep receiving financial support from the shareholders, that allow to generate profitable operations to comply with the obligations and planned development activities in accordance with Contugas' structure.

Gas Natural de Lima y Callao S.A. - Calidda

With the approval of each tariff schedule by the regulator, Calidda, performs an analysis of the recovery of the investments made and to be made, required in the five-year investment plan, considering the conditions stipulated in the BOOT contract; estimating those portions that are repaid with the approved tariffs and those that are repaid with the net book value of the assets of the concession, according to the residual participation of the same. On April 11, 2018, OSINERGMIN set the Single Tariff for Natural Gas Distribution by Pipeline Network applicable to the period 2018-2022.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

(2) Business rights:**Transportadora de Gas Internacional S.A. E.S.P - TGI**

On March 2, 2007, the financial closing of the disposal process of Ecogas' assets, rights and contracts was recorded. Each asset was recorded independently.

The value of the intangible corresponds to the rights for contracts of clients acquired in the transfer of title with Ecogas for USD 111 million.

Grupo Dunas

During the PPA process carried out on the acquisition of the Dunas Group, a business right intangible was recognized for COP 391,902 million.

20. Financial obligations

	<u>2021</u>	<u>2020</u>
Bonds issued (1)	2.239.954	2.341.276
Loans and promissory notes (2)	1.518.702	1.392.707
Finance leases	3.062	8.503
Financial interests	37.131	30.755
	<u>USD\$ 3.798.849</u>	<u>3.773.241</u>
Current	219.462	87.320
Non-current	3.579.387	3.685.921
	<u>USD\$ 3.798.849</u>	<u>3.773.241</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

(1) Bonds Issued :

	Rate interest	Due date	December 31, 2021	December 31, 2020
GEB:				
GEB – Bonds UVR 2045 1er Lote	Fixed 3,99%	25/06/2045	108.560	54.326
Bonds second lot A/25 GEB	CPI + 4,10%	28/02/2047	81.361	82.057
GEB – Bonds COP 2027 1er Lot	CPI + 3,24%	25/06/2027	80.677	52.160
Bonds first lot A/15 GEB	CPI + 3,85%	28/02/2032	71.187	37.565
GEB – Bonds COP 2035 first Lot	CPI + 3,87%	25/06/2035	54.035	54.940
Bonds second lot A/15 GEB	CPI + 3,85%	28/02/2032	47.689	93.787
Bonds first lot A/7 GEB	CPI + 3,19%	28/02/2024	47.106	119.988
Bonds first lot A/25 GEB	CPI + 4,04%	28/02/2042	45.249	93.213
Bonds second lot A/7 GEB	CPI + 3,21%	28/02/2024	32.646	62.427
			<u>568.510</u>	<u>650.462</u>
In Foreign Currency	Rate interest	Due date	December 31, 2021	December 31, 2020
GEB – Emisión Bonos Int 2030	Fijo 4,875%	15/05/2030	394.680	394.184
Bonos TGI	5,55% SV	1/11/2028	747.330	746.353
Bonos Internacional Calidda	4,375% SV	15/03/2023	319.662	319.399
Bono Local Calidda PEN 200MM	6,47%	23/07/2028	50.086	55.121
Bono Local Calidda PEN 342MM	5,03%	06/09/2029	85.728	94.349
Bonos – Electroductos	4,59%	11/12/2030	57.592	63.394
Bonos – Electroductos	2,75%	11/12/2025	16.366	18.014
			<u>1.671.444</u>	<u>1.690.814</u>
In foreign currency				
TOTAL		USD\$	<u>2.239.954</u>	<u>2.341.276</u>
(2) Loans and promissory notes:			31 de diciembre de 2021	31 de diciembre de 2020
Foreing currency		USD\$	<u>1.518.702</u>	<u>1.392.707</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

(1) Bonds issued:***Grupo Energía Bogotá S.A. E.S.P.***

Local Bonds Issuance: on February 28, 2017 the Company placed the first lot of local bonds for \$189.366 thousand, indexed to CPI, sub-series A7, A15 and A25 and on November 15, 2017 the placement of the second lot of bonds for \$189.366 thousand, indexed to CPI, sub-series A7, A15, A30 was carried out. GEB will use the resources obtained with the placement of the Bonds, to finance the investment plan, the refinancing of the debt and the costs and expenses associated with structuring and obtaining the financing, as well as to meet working capital requirements. The main characteristics of the issue are as follows:

Frist lot

Serie – Subserie	Amount approved USD	Margin/Cut-off rate
Subserie A/7 - 7 años – IPC+Margen E.A.	\$ 46.971	3.19% E.A.
Subserie A/15 - 15 años – IPC+Margen E.A.	71.085	3.85% E.A.
Subserie A/25 - 25 años – IPC+Margen E.A.	45.213	4.04% E.A.
Total	<u>\$ 163.269</u>	

Second lot

Serie – Subserie	Amount approved USD	Margin/Cut-off rate
Subserie A/7 - 7 años – IPC+Margen E.A.	\$ 32.704	3.21% E.A.
Subserie A/15 - 15 años – IPC+Margen E.A.	48.152	3.85% E.A.
Subserie A/30 - 30 años – IPC+Margen E.A.	82.413	4.10% E.A.
Total	<u>\$ 163.269</u>	

Issuance of International Bonds: in development of the authorization granted by the Ministry of Finance and Public Credit through Resolution No. 1087 of May 7, 2020, the issuance and placement of External Public Debt Bonds in the international capital market was carried out under the conditions detailed below. The proceeds of the issue will be used to finance the 2020 - 2022 Investment Plan:

Amount	USD 400.000.000
Term	10 years
Date of transaction	May 12, 2020
Date of Issue (t + 3)	May 15, 2020
Due date	May 15, 2030 (Bullet)
Price	99,026
Yield	5,00%
Coupon Rate	4,875%
Interest Payment Periodicity	Every six months (May and November)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Issuance of Internal Public Debt Bonds: in development of the authorization granted by the Ministry of Finance and Public Credit through Resolution No. 0749 of March 04, 2020 and by the SFC through Resolution No. 264 of 2020, on June 25, 2020 Grupo Energía Bogotá S. A. E.S.P. issued the first lot of internal public debt bonds for an amount of up to eight hundred thousand million pesos (\$800,000,000,000,000) with the possibility of awarding up to nine hundred and fifty thousand million pesos (\$950,000,000,000,000), as follows:

Subseries	C7	C15	E25
Date of the issue	6/25/2020	6/25/2020	6/25/2020
Term	7 years	15 years	25 years
Due date	6/25/2027	6/25/2035	6/25/2045
Indexation	CPI	CPI	Fixed Rate (RVU)
Cut-off rate	3.24% AE.	3.87% AE.	3.99% AE.
Interest payment period	Quarterly due	Quarterly due	Annual due
Depreciation	At due date	At due date	At due date
Interest payment date	September 25, December 25, March 25, June 25 from date of issue to due date	September 25, December 25, March 25, June 25 from date of issue to due date	June 25 from the date of issuance to due date
Base	365	365	365
Amount claimed	\$508,291,000,000	\$317,750,000,000	\$890,132,064,975*
Amount awarded	\$320,852,000,000	\$214,900,000,000	\$414,203,723,837*

*For the calculation of these results, the RVU of the day of compliance, June 26, 2005, was used.
2020: 276.1975

The resources of the issuance were destined to the refinancing of financial obligations of GEB (debt replacement).

Transportadora de Gas Internacional S.A. ESP – during 2018, TGI, carried out a bond issue in the international capital markets, under Rule 144 A / Reg. S, amounting to USD 750 million, to refinance the bonds issued in 2012 and term 2022 that had a rate of 5.70%. The issuance took place on November 1, 2018, date on which the early redemption of the bonds and the issuance of the new bonds took place. The bonds due 2028 have the following terms:

Amount:	USD\$ 750 million
Rate interest	5.55% annual semester overdue
Date of the issue:	November 1, 2018
Due date	November 1, 2028

Covenants – The issuance of the 2028 Bonds represented a significant improvement for TGI in terms of Covenants, since the new issue reflects the Investment Grade quality of the company, eliminating several restrictive Covenants. The main Covenants included in the 2028 Notes and found in the Indenture of the transaction are:

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

- Limitation on taxes.
- Limitation on Sale and Lease-Back transactions.
- Limitation on doing business other than in the ordinary course of business.

The issuance is rated investment grade by the following rating agencies:

- Fitch Ratings: BBB, Stable outlook.
- Moody's: Baa3, Stable outlook.

Gas Natural de Lima y Callao – Cálidda – in March 2013, the Company placed bonds in the international market for USD\$320 million, under Rule 144A Regulation S, with a term of 10 years. The proceeds were used to prepay the loans with International Finance Corporation (IFC), Corporación Andina de Fomento (CAF), Infrastructure Crisis Facility Debt Pool (ICF) and Citibank del Perú S.A., as well as the subordinated shareholder loan. With the remaining resources from the bond issue, the Company financed its investment plans for 2013 and 2014, allowing it to continue expanding the gas network in the Department of Lima and the Constitutional Province of Callao. The main characteristics of the issue are as follows:

Type of title	Public Debt Bonds
Date of the issue	March 2013
Nominal <u>value</u>	USD \$320 million.
Term	10 years
Yield	4,375%
Rating	AAA (col) awarded by Fitch Ratings, BBB- by Standard & Poor's and Baa3 Moodys.

Gas Natural de Lima y Callao - Cálidda - Local Bond PEN200TM - in July 2018, the Company issued bonds for thousands of S/ 200,000 placed in the local market. The bond issue was for a ten-year term, unsecured, with a coupon rate of 6.468% annually and six-monthly interest payments.

Gas Natural de Lima y Callao - Cálidda - Local Bond PEN342TM - in September 2019, the Company issued bonds for thousands of S/ 342,000 placed in the local market. The bond issue was for a ten-year term, unsecured, with a coupon rate of 5.031% annually and six-monthly interest payments.

Electro Dunas S.A.A.- At the General Shareholders' Meeting held on June 16, 2020, it was agreed to approve the execution of the First Debt Instruments Program for up to thousands of US\$300,000 or its equivalent in Soles.

The proceeds raised through the issuance of bonds by public offering were used to finance the Company's investment plan, refinance and replace liabilities and finance working capital.

The bonds were issued with due dates of December 2030 and December 2025.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

(2) Loans and promissory notes:**Grupo Energía Bogotá S.A. E.S.P**

Syndicated Loan: in accordance with the authorization given by the General Directorate of Public Credit and National Treasury of the Ministry of Finance and Public Credit through Resolution No. 2262 of July 15, 2019, GEB proceeded to subscribe, on July 22, 2019, the First Amendment to the Borrowing Agreement entered in December 2017, such that the new terms of the borrowing are:

Currency	USD
Amount	USD \$ 749,000,000.00
Date Signature of First Amendment	July 22, 2019
Due date	July 22, 2024
Term	5 years from the date of execution of the First Amendment
Capital	Bullet
Payment method Interest	Six-monthly
Rate interest	Libor 6 months + 1.625%
Base	Act/360

Banks: Bank of América, Citibank, Sumitomo Mitsui Banking, Export Development Canada, Mizuho Bank, Natixis, New York Branch, Scotia, BBVA, BNP Paribas, MUFG Bank, Sabadell, Credit Agricole, JPMorgan, Intesa Sanpaolo, Bancolombia (Panamá), ICBC Perú, Bancaribe.

In development of the authorization given by the MHCP through Resolution No. 3933 of October 23, 2019, in May 2020 a hedging operation (Interest Rate Swap) 2.056% including the fixed margin was carried out.

During 2020, the Company paid off USD \$249 million, with a remaining balance equivalent in dollars of USD \$500 million.

By the Resolution No. 1469 of June 28, 2021, the Ministry of Treasury and Public Credit authorized GEB to terminate partially and in advance the risk hedging operation authorized by Resolution 3933 of October 23, 2019, for USD 51.000.000. By Resolution No. 3472 of December 30, 2021, GEB S.A. E.S.P. was authorized to terminate partially and in advance the operation of external public debt management, consisting in a risk hedging operation authorized by Resolution 3933 of October 23, 2019, for a notional amount of USD 130.000.000, in development of the prepayment made on December 2021.

During 2021, the company paid off USD\$181 million, leaving a balance to pay with cutoff as of December 31, 2021 of USD\$319 million.

External Credit Banco Davivienda: in conformity with the authorization given by the Ministry of Treasury and Public Credit by Resolution No. 4791 of December 19, 2019, GEB celebrated an external loan contract with Banco Davivienda S.A. up for USD 300 million, destined to the financing of the Company's investment plan 2019-2022. The resources mentioned disbursed in totality in March 9, 2020, bullet at 12 years and biannual interests payment to Libor (6M) +2,35%.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

In development of Resolution No. 1656 of August 27, 2020, GEB made a hedging operation (Interest Rate Swap) on the interest payment of the loan mentioned (Interest rate swap) IRS 3,3514% including the fixed margin.

Contugas Syndicated Loan – On September 24, 2019, the company signed a US\$355 million Syndicated Loan, which had Mizuho Bank, Ltd. as lead banks and BBVA, and Mizuho as administrative agent. The credit and guarantee agreements are under the laws of New York, Colombia and Peru. The following is the participation of the banks (hereinafter "the Lenders").

Lender	Commitment	Applicable Percentage
Banco Bilbao Vizcaya Argentaria S.A., New York Branch	U.S.\$ 85,000,000	23.94366%
Mizuho Bank, Ltd.	U.S.\$ 85,000,000	23.94366%
Sumitomo Mitsui Banking Corporation	U.S.\$ 45,000,000	12.67606%
Banco de Sabadell, S.A., Miami Branch	U.S.\$ 26,000,000	7.32394%
Banco Santander, S.A.	U.S.\$ 26,000,000	7.32394%
Export Development Canadá	U.S.\$ 26,000,000	7.32394%
Banco de Bogotá (Panamá) S.A.	U.S.\$ 26,000,000	7.32394%
Banco Latinoamericano de Comercio Exterior S.A.	U.S.\$ 18,000,000	5.07043%
Citibank, N.A. International Banking Facility	<u>U.S.\$ 18,000,000</u>	<u>5.07043%</u>
Total	<u>U.S.\$ 355,000,000</u>	<u>100%</u>

The contractual term is 60 months, with principal payable in full at the end of the term, plus compensatory interest accrued at that date. At the signing of the contract, the Company paid structuring expenses of US\$ 3.4 million and administrative agent's fees of US\$ 25 thousand.

This loan accrues interest at 180-day LIBOR rate plus 1.75%. Interest payments will be made every six months in March and September.

The funds obtained from this loan were mainly used to repay the Syndicated Loan (for US\$342 million in favor of Banco Davivienda S.A., Banco de Bogotá S.A. Nassau, Banco de Bogotá S.A. Panama and Corporación Andina de Fomento).

This loan is backed by a corporate guarantee granted by its shareholders Grupo Energía Bogotá S.A. ESP (GEB) and Transportadora de Gas Internacional, with which guarantee the payment obligations of the loan.

Gas Natural de Lima y Callao – Calidda – loan for USD90.000 thousand, net of the structuration expenses, which was awarded between August and November 2020, for the IDB Invest at a yearly rate between 2.10% and 2.35% +Libor 6M, with biannual amortization with a window of 8 years.

Loan to Banco BBVA Perú for USD80.000 disbursed on July 1, 2021, to an annual rate of 1.37% with a window of 2 years.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

On December 2021, the Company signed a bilateral loan with Bank of Nova Scotia for a total amount of USD200.000 of which the company has received during 2021 a partial disbursement of USD100.000 and the deadline to receive the rest of the loan remains April 2023. The loan has a validity of 5 years, with amortization bullet at maturity, without guarantees, with variable rate of 2.25% + Libor 3M.

Citibank N.A. Trecca

As of December 31, 2021 and December 31, 2020, include a loan for an original amount of USD87.000.000 with a start date of June 30, 2016 and maturity June 30, 2028, interest rate 2.97% (+) Libor 6 months. Capital amortization from December 2018, biannual interests from the start of the loan. This credit has a corporate guarantee by Grupo Energía Bogotá with the respect to the payment obligations.

Bac International Bank Inc. Trecca

Fiduciary loan for USD65.000.000 with a fixed interest rate of 4.35% annual the first 90 days and 5.35% annual from day 90 to maturity. The window is of 11 months with contractual maturity on October 1, 2022 and with payment of principal and interests at maturity.

Banco de América Central S.A. Trecca

Fiduciary loan for USD50.000.000 with a fixed interest rate of 4.35% annual the first 90 days and 5.35% annual from day 90 to maturity. The window is of 11 months with contractual maturity on October 1, 2022 and with payment of principal and interests at maturity.

Citibank N. A. EEBIS Guatemala

A fiduciary loan is included for an amount of USD45.000.000 starting date March 26, 2020 and maturity March 26, 2025, fixed interest rate 5.40%, amortization at maturity, biannual interest payment. Credit issued with corporate guarantee by GEB with respect to the payment obligations.

Bac International Bank Inc. EEBIS Guatemala

Fiduciary loan for USD28.000.000 with fixed interest rate of 4.35% annual. The window is 11 months with contractual maturity on October 1, 2022, and with payment of principal and interests at maturity.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

21. Trade and other payables

		<u>2021</u>	<u>2020</u>
Dividends	USD	194	176
Suppliers		138.769	114.759
Creditors		14.877	46.857
Advances received		<u>3.684</u>	<u>1.366</u>
	USD	<u><u>157.524</u></u>	<u><u>163.158</u></u>
Current	USD	146.052	154.008
No current		<u>11.472</u>	<u>9.150</u>
	USD	<u><u>157.524</u></u>	<u><u>163.158</u></u>

22. Employee benefits

		<u>2021</u>	<u>2020</u>
Short-term benefits (a)	USD	27.053	24.479
Defined benefits :			
Net Pension Plan (b)		28.367	46.188
Complementary benefits		<u>5.665</u>	<u>9.004</u>
		<u><u>61.085</u></u>	<u><u>79.670.794</u></u>
Current		34.704	33.333
No current		<u>26.381</u>	<u>46.338</u>
	USD	<u><u>61.085</u></u>	<u><u>79.671</u></u>

(a) *Short-term employee benefits* - Pursuant to the agreed-upon conventional agreements and current labor legislation, the Company recognizes short-term employee benefits, which include accrued social benefits, performance bonuses, pension allowances and salaries pending payment, and the estimate of pension installments payable for the current period in favor of its employees and pensioners

		<u>2021</u>	<u>2020</u>
Bonus	USD	16.267	13.670
Social benefits, salaries and other		<u>10.786</u>	<u>10.809</u>
Short-term employee benefits		<u><u>27.053</u></u>	<u><u>24.479</u></u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Defined benefits

Retirement pension plan - Based on the conventional agreements agreed with the workers' union, the Company has recognized in its financial statements the obligations for the retirement benefit plan for retirement pensions for employees who met the requirements of age and time of work in the Company. Currently this benefit is only recognized for employees who met the requirements, i.e., current employees do not have the recognition of this benefit directly by the Company and in accordance with the Colombian pension law they can only access this benefit through a pension fund administrator.

The amounts recognized in the statement of financial position for defined benefit plans are as follows:

	<u>2021</u>	<u>2020</u>
	USD	USD
Retirement pensions		
Actuarial calculation of prior year pensions	72.039	83.987
Finance expenses	4.182	5.307
Payments made during the period	(6.476)	(7.555)
Other comprehensive income	(12.962)	(1.816)
Benefit obligation at end of period	56.783	83.554

The assets of the pension plans are kept separate from the assets of the Entity in autonomous assets, under the control of the trustees Fiducolombia and Fiduprevisora which manage these resources and make the payments to the pensioned personnel, as required annually by the Company, it makes new contributions to these autonomous assets. The term of the contracts is five (5) years, and they were renewed during 2017 under the same conditions.

The fair value of equity and debt instruments that comprise the active plan of the pension plan are updated based on market prices quoted in active markets.

	<u>2021</u>	<u>2020</u>
	USD	USD
Active pension plan		
Fair value of plan assets	32.216	37.668
Interest	1.933	2.448
Payments made during the period	(9.010)	(7.555)
Prepaid taxes	(49)	(32)
Contributions	6.201	3.882
Other comprehensive income	(2.795)	954
Active plan at end of period	<u>28.496</u>	<u>37.365</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

23. Provisions

		<u>2021</u>	<u>2020</u>
Dismantling	USD	57.064	74.080
Litigation		22.142	28.907
Other provisions		34.432	36.956
Pensión contribution parties		755	1.093
	USD	<u>114.393</u>	<u>141.036</u>
Current	USD	21.361	16.994
No current		93.032	124.042
	USD	<u>114.393</u>	<u>141.036</u>

		<u>2021</u>	<u>2020</u>
Dismantling	USD \$	57.064	74.080
Litigation		22.142	28.907
Other provisions		34.432	36.956
Pension contributions parties		755	1.093
	USD \$	<u>114.393</u>	<u>141.036</u>
Current	USD \$	21.361	16.994
No current		93.032	124.042
	USD \$	<u>114.393</u>	<u>141.036</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Changes in provisions are detailed below:

		<u>Litigation</u>	Other provisions	Dismantling	Pension contributions parties	<u>Total</u>
USD						
Balance as of December 31, 2019	\$	30.476	31.273	29.833	1.493	93.076
Increases	\$	846	7.253	51.601	-	59.701
Decreases		(700)	(1.712)	-	-	(2.510)
Others		(613)	-	-	(235)	(342)
Financial cost		-	-	4.805	-	4.805
Effect of <u>conversión</u>		(1.101)	141	(12.160)	(165)	(13.694)
Balance as of December 31, 2020	\$	28.907	36.956	74.080	1.093	141.036

		<u>Litigation</u>	Other provisions	Dismantling	Pension contributions parties	<u>Total</u>
USD						
Balance as of December 31, 2020	\$	28.907	36.956	74.080	1.093	141.036
Increases	\$	2.726	11.060	-	-	13.787
Decreases		(5.279)	(11.103)	(8.951)	(187)	(25.520)
Others		332	542,56	-	-	875
Financial cost		-	-	4.576	-	4.576
Effect of <u>conversión</u>		(4.545)	(3.025)	(12.642)	(151)	(20.361)
Balance as of December 31, 2021		22.141	34.431	57.063	755	114.393

24. Tax Liabilities

	2021	2020
	USD	USD
Income tax	19.662	43.060
Withholdings payable	4.298	8.726
VAT / ICT	<u>4.276</u>	<u>1.034</u>
	28.236	52.820
Current	28.044	52.585
No corriente	<u>192</u>	<u>235</u>
	<u>28.236</u>	<u>52.820</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

25. Income taxes related to continuing operations

Income tax recognized in income - The income tax rates applicable to each Company, according to the jurisdiction where each Company is taxed, are as follows:

Country	2021	2020
Colombia	31% nominal	32% nominal
Perú	29,5% 30% for legal stability	29,5% 30% for legal stability
Guatemala	25% on profits from profitable activities	25% on profits from profitable activities
Brasil	34%	34%

The income tax returns pending review by the tax authorities are as follows:

Company	Years
Grupo Energía Bogotá	2015 a 2020
Transportadora de Gas Internacional	2015 a 2020
Contugas	2017 a 2020
Transportadora de Energía de Centro América	2018 a 2020
Gas Natural de Lima y Callao	2015 a 2020
EEB Perú Holdings	2018 a 2020
EEB Ingeniería y Servicios	2017 a 2020
EEB Gas SAS	2018 A 2020
Dunas Energía	2016 a 2020
PPC	2016 a 2020
Cantalloc	2017 a 2020

The detail of income tax expense (income) recorded in income for the period is as follows:

		2021	2020
Total current tax	USD	107.864	110.763
Total Deferred tax		<u>10.334</u>	<u>(3.698)</u>
Total tax expense	USD	<u><u>118.198</u></u>	<u><u>107.064</u></u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

The reconciliation between income before income taxes and net taxable income for the periods ended December 2021 and 2020 is as follows:

	2021	2020
Earnings before taxes combined	1.146.066	1.123.158
Statutory tax rate	31%	32%
Theoretical tax expense according to current tax rate	355.281	359.411
Difference in rate with country of origin	-415	7.100
Non-tax accounting expenses	75.818	70.091
Tax income not recognized in income	251.019	184.059
Tax deductions not recognized in income	-20.549	-66.441
Non-tax income recognized in income	-295.351	-273.445
Effect of income exempt from taxes	-48.555	-38.165
Effects of income nontaxable or occasional gain	-197.721	-129.240
Currency translation effects	-	-643
Fiscal loss compensation	-11.849	-1.224
Pressumend Tax effect	188	-741
Previous year tax	10.334	-3.698
Temporary differences	118.198	107.064
	USD \$ 355.281	359.411

The effective rate for december 2021 and 2020 was 10,31% y 9,53%, respectively.

Deferred tax balances - The following is an analysis of the deferred tax assets/liabilities presented in the consolidated statements of financial position:

As of December 31, 2021, recognition of change in the tax rate included in the Social Investment Law and regulated in Decree 1311 of 2021 generated an effect in accumulated results for \$252.585.

		2021	2020
Deferred tax assets	USD	643	383
Deferred tax liabilities	USD	<u>(544.641)</u>	<u>(499.395)</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

USD \$	2020	Recognized in Results	Recognized in ORI	Recognized in Equity (1)	Effect of conversion	2021
Trade and other accounts receivable	-11.757	-20.028	-	-4.114	1.621	-34.278
Provision for commercial portfolio	1.137	1.146	-	-	47	2.331
Intangible assets other than goodwill	-91.482	-7.103	-	-6.596	-671	-105.853
Financial Assets	-6.167	-13.402	10.142	-1.305	823	-9.910
Investments in subsidiaries	-26.794	-	-	-	-158	-26.952
Account receivable employees	1.456	-1.698	-	349	-96	10
Inventories	367	-77	-	-73	-19	197
Property, Plant and Equipment	-457.855	-7.318	-	-64.811	5.581	-524.401
Investment properties	9.807	-43.773	-	-0	-1.520	-35.486
Other Non-financial assets	-13.074	11.459	-	-	1.615	-
Accounts Payable	7.066	-86	-	-	-1.059	5.921
Social benefits	1.895	115	-	119	-161	1.966
Provisions	-101	-3.348	-	298	25	-3.126
Other liabilities	44.819	26.351	-	9.546	1.055	81.770
Other financial liabilities	-5.967	41.914	7.305	4.496	1.788	49.536
Employee benefits	364	126	-	-	-29	460
Pension actuarial calculation	4.419	-730	-3.507	556	-608	130
Dismantling of assets	20.288	5.714	-	3.568	430	29.999
Tax losses	22.567	1.023	-	477	-379	23.688
USD \$	-499.012	-9.716	13.940	-57.492	8.283	-543.998

- (1) In accordance with the provisions of Decree 1311 of October 20, 2021, the Company decided to recognize the effect in the deferred tax for the change in the rates which the temporary differences would be directly reverted in equity for (61.341.920) in the accumulated results account.

USD \$	2019	Recognized in Results	Recognized in ORI	Effect of conversion	2020
Trade and other accounts receivable	-10.550	-1.301	-	94	-11.757
Provision for commercial portfolio	1.078	83	-	-23	1.137
Intangible assets other than goodwill	-84.926	-7.099	-	542	-91.482
Financial Assets	-4.126	-	-442	-1.600	-6.167
Investments in subsidiaries	-28.064	-	-	1.270	-26.794
Account receivable employees	1.465	-	-	-9	1.456
Inventories	507	-142	-	2	367
Property, Plant and Equipment	-458.463	-8.516	-	9.124	-457.855
Investment properties	9.475	-	-	332	9.807
Other Non-financial assets	-15.493	1.256	-	1.164	-13.074
Accounts Payable	-1.565	9.148	-	-517	7.066
Social benefits	1.527	-	-	368	1.895
Provisions	-84	-5	-	-13	-101
Other liabilities	34.892	12.170	-	-2.244	44.819
Other financial liabilities	8.298	-15.479	-3.890	5.103	-5.967
Employee benefits	331	68	-	-36	364
Pension actuarial calculation	3.004	-	-	1.415	4.419
Dismantling of assets	9.760	11.380	-	-853	20.288
Tax losses	20.705	1.940	-	-79	22.567
USD \$	-512.229	3.505	-4.332	14.043	-499.012

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Deductible unrecognized temporary differences, unused tax losses and unused tax credits - The balance of tax loss carryforwards as of December 31, 2021 is as follows:

	Year of Generation	Value original	Balance for Use no recognized	Year of expiration
USD \$				
Contugas	2018	31.171	5.937	2022
	2019	23.587	19.416	2023
Transportadora de Energía de Centro América	2018 VAT	32.116	24.789	
	2019 VAT	30.115	24.630	
	2020 VAT	28.567	24.547	
	2021 VAT	24.547	26.466	
	2019 ISO	185	434	2022
	2020 ISO	503	527	2023
	2021 ISO	624	557	2024
EEB Ingeniería y Servicios	2018 VAT	7.662	6.254	
	2019 VAT	7.597	6.169	
	2020 VAT	7.155	4.520	
	2021 VAT	4.520	3.255	
	2018 W VAT	400	326	
	2019 W VAT	396	446	
	2020 W VAT	517	864	
	2021 W VAT	864	1.113	
	2019 ISO	32	87	2022
	2020 ISO	101	158	2023
	2021 ISO	158	146	2024

Unrecognized taxable temporary differences associated with investments and participations -

Temporary differences related to investments in subsidiaries, branches and associates and interests in joint ventures for which deferred tax liabilities have not been recognized are attributable to the following:

		2021	2020
Local subsidiaries	USD	(562.186)	(550.385)
Foreign subsidiaries		(39.561)	(21.705)
Associates and joint Ventures		(35.191)	(14.851)
Total	USD	<u>(636.938)</u>	<u>(586.940)</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Significant modifications to the income tax regime

In Peru, Guatemala, and Brazil there were no significant modifications to the income tax regime that could affect the results of the operations.

Social Investment Law – (Tax Reform 2021)

In Colombia, in September 2021, the Colombian Tax Law was modified through Law 2155 increasing the income tax rate from 2022 to 35%, rate that will be reviewed 5 years after this Law comes into force.

Other modification introduced by the Social Investment Law correspond to the tax discount for industry and commerce tax, which is kept at 50%, leaving unapplied the 100% discount previewed for 2022.

Decree 1311 of 2021

The Ministry of Commerce, Industry, and Tourism, which issues the principle, standards, interpretations, and guidelines of accounting and financial information and information security, issued on October 20, 2021 the Decree 1311, for which it establishes for one only time the alternative to accountably recognize with charge to the accumulated profit in equity, the variation in the derived deferred income tax of the increase of the income tax rate, in accordance with the provisions of the Social Investment Law 2155 aforementioned.

As of December 31, 2021, the Company has complied with Decree 1311 of 2021, recognizing the effect directly on the accumulated profit.

Transfer pricing**Colombia**

To the extent that companies carry out operations with related companies abroad, they are subject to the regulations regarding transfer pricing introduced in Colombia with Laws 788 of 2002 and 863 of 2003. For this reason, the company conducted a technical study on the operations carried out during 2020 concluding that there are no conditions to affect the income tax for that year. The informative returns for the year 2020 were submitted in September 2021.

Perú

Transactions between related entities and those carried out through tax havens corresponding to fiscal year 2016 onwards must no longer be supported with a Transfer Pricing Technical Study, but with the informative affidavit local report, which will expire in April 2018 (transactions of fiscal year 2016) and June of each year (transactions of fiscal year 2017 onwards).

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

In turn, for the operations of the fiscal years 2017 onwards, it will be necessary to file the informative affidavits master report and country by country, whose formats, terms and conditions have not yet been approved by the Tax Administration.

Based on the analysis of the Companies' operations, Management and its legal advisors are of the opinion that there will be no significant liabilities for the financial statements as of December 31, 2021 and 2020, in relation to transfer pricing.

Guatemala

The special valuation rules for transactions between related parties originally became effective as of January 1, 2013. These rules required all taxpayers that have transactions with non-resident related parties in Guatemala that impact the taxable base, to determine the prices of those transactions according to the free competition principle and to document it in a transfer pricing study. However, Article 27 of Decree 19-2013 published on December 20, 2013, suspended the application and validity of these rules and established that they take effect and apply again on January 1, 2015.

The companies carried out the Technical Study of Transfer Pricing, corresponding to 2019 (requested to all taxpayers by the Superintendence of Tax Administration -STA). According to the study, it was determined that transactions with related parties comply with the Principle of Free Competition.

Uncertain tax positions

In July 2021 Grupo Energía Bogotá S.A. E.S.P. received a special requirement for the income of 2017. The taxability of passive income in compliance with the Regime of Controlled Foreign Corporations (CFC) is being discussed, in particular the passive income of EEB Energy RE (captive insurance company with headquarters in Bermuda), and Transportadora de Energía de Centroamérica S.A., and EEB Ingeniería y Servicios S.A., operative societies with headquarters in Guatemala. The special requirement was fully responded in October, pointing out why we consider the DIAN's pretensions for this period do not correspond.

No additional taxes are expected considering the Group has enough income exemptions and tax losses that make the annual liquid income zero.

26. Other non-financial liabilities

	2021	2020
Advances	12.454	15.206
Deposits received for third parties	9.952	10.062
Income received to third parties	<u>4.576</u>	<u>3.196</u>
Total	<u>26.982</u>	<u>28.464</u>
Current	21.711	22.850
No current	5.271	5.614
	<u>26.982</u>	<u>28.464</u>

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

27. Financial Instruments

Capital risk management - The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing returns to its shareholders through the optimization of debt and equity balances.

The capital structure consists of net debt (loans offset by cash and bank balances) and the Entity's equity (comprised of issued share capital, reserves and retained earnings).

The Company's Board of Directors reviews the Entity's capital structure on a quarterly basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.

Financial risk management objectives: Exposure to financial risks is continuously monitored, where net exposures and their magnitude are analyzed in order to manage them in a timely manner.

As part of the risk management system, different mitigation strategies are evaluated, including both natural hedges and financial hedges. In the use of financial hedges, it seeks to minimize the effects of these risks using derivative financial instruments to cover the risk exposure, duly approved by the Board of Directors, the highest control body that approves the guidelines on which financial risk management is governed.

Market risk - The Company's activities expose it mainly to financial risks of exchange rates and interest rates, which impact its results. Therefore, as a risk management strategy, the Company uses natural and financial hedges using derivative financial instruments.

Foreign exchange risk management - GEB carries out transactions denominated in foreign currency and is therefore exposed to exchange rate risk, which is managed through the evaluation and execution of natural and/or financial hedges.

Assets and liabilities in foreign currency as of December 31, 2021 and December 31, 2020, respectively, are shown below:

	Pasivos		Activos	
	dic-21	dic-20	dic-21	dic-20
	USD/.000	USD/.000	USD/.000	USD/.000
USD	1.096.754	1.250.811	516.445	749.503
COP	137.532	178.559	173.387	183.961
PEN	26.159	50.403	90.268	118.424

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Foreign currency contracts - GEB seeks to minimize the effects of exchange rate risk through the use of derivative financial instruments to hedge exposure, for which it closes short-term and long-term hedges as deemed appropriate.

For hedging purposes, changes in operational and market variables and the evolution of the entity's accounting accounts are permanently monitored and updated to ensure that the hedging strategy is in line with GEB's reality and market conditions. Likewise, GEB hedges the exchange rate risk arising from future transactions.

Hedging of the exchange exposure to the Peruvian Sol was carried out, the following tables detail the forward foreign currency contracts in effect at the end of the reporting period, as well as information on the related hedged items

Outstanding contracts	IN THOUSAND DOLAR							
	Exchange rate average		Foreing Currency		Notional Value		Fair Value	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Hedging of the exchange exposure	4.092	3.494	Soles	Soles	60.846	6.529	(167)	35,099
	353.527	3.386	Soles	Soles	182.561	214.184	(37.783)	(11.466)

Hedge of Net Foreign Investment (NFI) – In order to stabilize the variations in equity caused by the effect of the exchange of business abroad, the Company has defined as hedging instruments to cover the previous risk, the amount of USD 615 million corresponding to part of its liability position for financial obligations.

Sensitivity analysis of foreign currency - The following is the sensitivity analysis assuming a variation of the Colombian peso due to the effect on the movement of the market representative rate (TRM by its acronym in Spanish), given the exposure as of December 31:

	Potential impact on the statement of comprehensive income (+/-)	
	dic-21	dic-20
	COP/MM	COP/MM
1%	46	17.393
5%	232	85.851

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Additionally, the sensibility analysis is presented assuming a variation of the Peruvian sol, given the exposure as of December 31, 2021 and December 31, 2020, respectively:

	Potential impact on the statement of comprehensive income	
	(+/ -)	
	dic-21	dic-20
	COP/MM	COP/MM
1%	2.552	2.335
5%	12.761	11.674

Interest rate risk management - GEB is exposed to interest rate risk, originated in obtaining debt at variable rates; however, a proportion of debt is maintained at fixed rates and market variables are permanently monitored in order to implement risk mitigation strategies.

Interest rate swap contracts - Under interest rate swap contracts, the Company agrees to exchange the difference between the fixed and floating interest rate amounts calculated on the agreed notional capital amounts. These contracts allow the Company to mitigate the risk of changes in interest rates on the fair value of cash flow and fixed rate debt exposures issued on floating rate debt issued.

As of December 31, 2021, GEB has two operations *Interest Rate Swap* with *libor rate 6M fixed*:

	Amount (USD)	Rate (%)	Beginning Date	Final Date	MTM (COP/MM)
<i>IRS Flotante a Fijo</i>	319.000.000	2,056	22-07-2020	22-07-2024	29.891
<i>IRS Flotante a Fijo</i>	300.000.000	3,3514	09-09-2020	09-03-2032	77.217

Sensibility analysis for interest rates – With cutoff as of December 31, 2021, GEB has 68.7% of its debt at a fixed rate, 2.9% at RVU, and the remaining at variable rate, that is 28.4% of its total rate. Below is the potential one-year impact in GEB for a change in 100 points in the interest rates and the remaining constant, including the effect of hedges:

Interest rate Risk management	Potential impact on the statement of comprehensive income (+/-) Miles de USD	Equivalent in millions of pesos
100 pbs	10.727	42.704

Business and Operative Risks – The strategic risks matrix of the Group considers the main risks associated with the social purpose. In accordance with the provisions of the Integral Risk Management Model, these risks are identified, assessed, and monitored periodically in order to establish the results and efficiency in the mitigation of risks by means of the implementation of controls and response plans. The following figure presents the list of risks active in the Strategic Risk Matrix of GEB and the heat map with the risk levels.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

The more important risks for their extreme and high residual risk level are situated in the regulatory aspects, the financial risks, operative risks such as work accidents, and business continuity. These risks are described as follows:

Risk	Description	Materialized (Yes/No)	Materialization probability
Default in debt, loans, and other obligations payment CONTUGAS	Given the level of financial leverage, the non-payment of the accounts receivable of big consumers, or for non-compliance with the business plan, there could be incurrance in default of debt and credit obligations payment, which could generation a greater need of capitalization, decrease in the present net value of the investment and increase in financial loses.	No	High
Non-compliance of the contract between TRECSA and the Government of Guatemala (PET 01/2009 with maturity 17/11/2020)	Declaration of non-compliance with contract by the Ministry of Energy and Mines for non-compliance with the Construction Execution Program or anu other obligation derived from this Contract or the Transporter License contract.	No	High
Normative changes detrimental to the Company's interests	Modification of the current regulations (laws, decrees, resolutions, circular letters, sentences, doctrines) that negatively impact GEB's interests.	No	High
Work accidents in the operations and activities performed by GEB and related companies	Work accidents in the operations and activities performed by GEB and related companies by direct and third-party collaborators that result in serious injury or death.	No	Medium
No business continuity	Inadequate preparation to recover and restore the critical business activities against risk events that endanger the business continuity.	No	Medium

The main factor that have led to consider these risks as relevant correspond to:

Debt risk factor in the related company CONTUGAS and non-compliance with the PET contract in TRECSA are two risks that are permanently monitored from GEB due to the relevance and impact both economically and reputationally that could mean for the Group in case of materialization according to the level of valuation assigned and the risk appetite in force in 2021.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

With respect to the risks associated with regulatory changes, a regulatory change or modification detrimental could considerably affect the business' income due to the regulated nature of rates and income, situation that leads to a decrease in the profitability of the business and, therefore, a decrease in GEB's income. Particularly for TGI due to the important impacts expected from the recent regulatory modifications, there is permanent monitoring and work on a Group-level strategy in order to mitigate the unwanted effects of this risk.

The political environment and the decisions of the countries in which it has presence might affect the viability of the business and GEB's interests. The political situation in Peru caused uncertainty and affected the economic indicators of the country. For that reason, a scenario analysis and permanent monitoring to the political and economic events were made, generating alerts and response plan for the continuity of our business in this country.

Safeguard and protect life are part of GEB's values. In line with the corporate value "Life First" and based on the cultural transformation in security and health in work, the Group manages the risk of work accidents in the operations and activities performed by GEB and related companies by direct and third-party collaborators, aiming to eliminate impacts associated with serious and/or deadly injuries and mitigate other impact associated with economic loss and affectation of operations.

With respect to the risk of Business Continuity, the main relevant factor to be considered is the pandemic. Despite the decrease in Covid-19 cases generated by the pandemic and the reduction of government measures, GEB maintains strict biosecurity protocols and implemented the flexible work scheme to protect the health of collaborators and prevent a possible affectation of the business operations.

28. Equity

Capital - The authorized capital of the company is 44,216,417,910 shares with a par value of \$53.60 each, of which 9,181,177,017 shares were subscribed and paid as of December 31, 2021 and December 31, 2020, distributed as follows:

	<u>December 2021</u>		<u>December 2020</u>	
	Shares	%	Shares	%
Bogotá Distrito Capital	1.514.735.967	65,68%	1.756.855.423	65,68%
Fondo de Pensiones Obligatorias Porvenir Moderado	189.676.032	8,22%	224.851.779	8,41%
Fondo de Pensiones Obligatorias Protección Moderado	133.600.647	5,79%	158.081.241	5,91%
Corporación Financiera Colombiana S.A.	119.386.975	5,18%	138.470.109	5,18%
Fondo de Pensiones Obligatorias Colfondos Moderado	54.758.822	2,37%	60.138.679	2,25%
Otros	293.997.808	12,76%	336.381.216	12,57%
	2.306.156.250	100%	2.674.778.446	100%

Issue premium - Generated mainly by the issuance and placement of shares, carried out by the Company in 2011.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Legal reserve – According to Colombian law, the company must transfer at least 10% of the year's profits to a legal reserve, until it equals 50% of the subscribed capital. This reserve is not available for distribution but may be used to absorb losses.

Reserve for rehabilitation, extension and replacement of systems – In order for the profits of the 1997 fiscal year to benefit from the income tax exemption of Article 211 of the Tax Statute, these were appropriated as a reserve for the rehabilitation, extension and exposure of systems for the provision of residential public utilities.

Equity method reserve – A reserve is created for earnings generated by the application of special methods of valuation of investments under the equity method.

Occasional reserve Art. 130 of ET – This reserve was created to fulfill Article 130 of the Tax Statute in excess of the tax depreciation deductible from income tax.

Other occasional reserves – The Company has not distributed as profits in favor of the stockholders the profits obtained from the exchange difference (net), which are generated by accounting movements and have not been realized as effective profits.

Distribution of dividends – In accordance with the provisions of Act 087 of March 29, 2021, the General Shareholders' Meeting decided to decree dividends payable for USD 410.495.685.

In the extraordinary General Shareholders' Meeting No. 089 of September 13, 2021 a reserve release and extraordinary dividend were made for USD 219.084.890.

In accordance with the provisions of Act 085 of March 30, 2020, the General Shareholders' Meeting decided to decree dividends per outstanding share for USD 374.468.755.

29. Cost of sales

		2021	2020
General (1)	USD	620.365	519.249
Depreciation y amortization		171.225	163.706
Personal services		24.882	26.932
Contributions and rates		24.431	24.085
Taxes		2.915	2.970
Contributions and inputs		2.559	2.100
	<u>USD</u>	<u>846.377</u>	<u>739.040</u>

(1) Corresponds mainly to fees, services, maintenance, installations, transportation, purchases and others.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

30. Administrative and Operating expenses

		2021	2020
Fees, supplies and maintenance	USD	88.038	76.420
Personal services		58.274	53.735
Provisions		27.729	26.387
Taxes, contributions and fees		25.697	25.399
Depreciation and amortization		14.673	16.936
Contributions and inputs		<u>8.738</u>	<u>6.730</u>
	USD	<u>223.149</u>	<u>205.607</u>

31. Finance Income

		2021	2020
Interests	USD	14.824	18.808
Hedging transactions		2.317	2.769
Valuation of investments		1.337	446
Others		1.949	1.078
Dividends - Equity investments		<u>35</u>	<u>45</u>
	USD	<u>20.462</u>	<u>23.146</u>

32. Financial Expenses

		2021	2020
Interests	USD	173.924	179.276
Commissions		<u>5.796</u>	<u>568</u>
	USD	<u>179.720</u>	<u>179.844</u>

33. Transactions with related parties

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated in consolidation and are not disclosed in this note. Transactions between the entity and other related parties are detailed below.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

	Amounts		Amounts	
	Due from realted parties		Due to related parties	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	USD	USD	USD	USD
Emgesa S.A. E.S.P.	-	32.346	-	-
TGI	20.374	-	-	-
Codensa S.A. E.S.P.	-	21.396	-	-
Promigas S.A. E.S.P.	2.736	3.022	-	-
Gas Natural S.A. E.S.P.	3.789	26.593	-	-
Gebras – Neg. Conj.	5.038	5.839	-	-
Emsa	-	-	-	-
Otros	174	174	3	111
USD	32.111	89.370	3	111

34. Contingent assesst and liabilities

Contingencies – As of December 31, 2021, and December 31, 2020, the value of claims against the Company for administrative, civil, and labor litigations amount to \$41.081 and \$55.042, respectively. Based on the assessment of the probability of success in defenses of these cases, the Company has provisioned \$ 4.689 and \$ 2.910 to cover the probable loses for these contingencies.

The Company's management, with the assistance of external advisors, has concluded that the result of the proceedings corresponding to the unprovisioned portion will be favorable to the Company's interests and will not cause significant liabilities to be recorded or, if they result, they will not significantly affect the Company's financial position.

Legal proceedings that due to their probability of being resolved with an unfavorable verdict to GEB are classified as "provisioned", which are summarized as follows (see note 23):

<u>Process type</u>		<u>Number of GEB processes</u>	<u>Total value</u>	<u>Number of VT processes</u>	<u>Total value VT</u>	<u>Total value</u>
Labor	USD	24	946.207	-	-	946.207
Civil		-	-	1	231.591	231.591
Laboral Executive		-	-	-	-	-
Administrative		1	-	-	-	-
Totales	USD	25	946.207	1	231.591	1.177.797

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

Legal proceedings that due to their probability of being resolved with an unfavorable verdict to GEB are classified as "contingent liability", which are summarized as follows:

Process type		Number of GEB processes	Total value	Number of VT processes	Total value VT	Total value
Labor	USD	16	683.972	6	-	683.972
Civiles		-	-	1	-	-
Laboral Executive		-	-	-	-	-
Administrative		1	-	7	8.143.355	8.143.355
Totales	USD	17	683.972	11	8.143.355	8.827.327

Processes classified as probable, which are not included in the provision since they correspond to ordinary labor processes brought by pensioners for the reestablishment of extra-legal benefits suppressed in direct application of Legislative Act 01 of 2005. Are classified as probable unfavorable judgment, which are included in the provision of the actuarial calculation (see note 23):

Process type	Number of processes	Total value
Provisión	4	USD <u>81.634</u>

Judicial proceedings that, due to their probability of being resolved with a favorable verdict, are classified as "Remote":

Process type	Number of processes	Total value
Civiles	8	93.691
Administrativos	4	<u>138.402</u>
Totales	12	USD <u>232.093</u>

Popular and group actions - The following popular and group actions are currently in progress:

1. In the 5th Administrative Court of the Circuit of Bogota a Group Action is being processed in which Orlando Enrique Guaqueta, Miguel Angel Chavez and others are acting as plaintiffs, where several files were accumulated against several defendant entities. The plaintiffs' claim refers to alleged damages to the environment and health due to contamination of the Muña reservoir. The action is currently in first instance. It should be noted that the judicial process has been in first instance since 2011, taking into account, among others, the number of plaintiffs (File 2011-096).
2. In the 1st Administrative Court of the Circuit of Zipaquirá there is a Popular Action (File 2014-551) in which Helga Adriana Knepper is the plaintiff, whose claim is to declare that EMGESA, GEB, the Department of Cundinamarca and the municipalities of Gachalá and Gama must repair the road that connects said municipalities. The proceeding is in the evidentiary stage (expert evidence)

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

3. In the Administrative Court of Risaralda, the Popular Action (File 2015-038) filed by the Risaralda Regional Ombudsman's Office, whose claim (not economic) is to order the suspension of the UPME 05-2009 project (Armenia) since they consider that the collective rights to the environment, administrative morality, the existence of ecological balance, among others, have been violated, was filed in the first instance (currently in the Council of State on appeal against the judgment). On March 22, 2019, the first instance judgment was issued, notified on March 29, 2019, which decided to deny the pleas of the claim, i.e., it was resolved in favor of GEB. The petitioner presented an appeal which will be decided by the State Council, is in second instance process, and is in probatory period.
4. In the Administrative Oral Tribunal 4 of Decongestion of Pereira, Risaralda is undergoing the Action of the Group in which Ms. Magnolia Salazar de Sánchez and others act as petitioners, with the pretention to declare GEB responsible of the perjuries to the environment and patrimony (devaluation of land – drop in value and commercial value of the easement area) suffered for each member of the group due to an alleged “arbitrary and unfair” valuation of the perjuries generated with the imposition of electric conduction easements – project UPME 02-2009. The process is in probatory stage and an expert was designated in substitution of the one initially designated. The assessment was made and there was opposition to it by GEB. In May 2021 there was an audience of contradiction of the evidence and the Tribunal found significant errors that implied the non-payment of fees and expenses and question the suitability of the expert. The Office orders to notify the Ministry of Environment and Sustainable Development for it to designate a team of professional in environment sciences from its personnel, for the valuation of the affected areas by the project of electric interconnection, to which this Ministry plead incompetence for designating a professional (File 2015-307).
5. In the Administrative Court of Cundinamarca there is a Popular Action in which Lina Paola Robles, in her capacity as Personera of the Municipality of Gachancipá, is acting as plaintiff against ANLA, UPME, CAR and GEB to allege violation of the collective right to enjoyment of a healthy environment in connection with life with respect to the construction of the Substation of the Chivor II Norte 230 kV project; the process is currently in the evidentiary stage in the first instance. (File 2016-1030)..
6. In the 59th Administrative Oral Court, Third Section of Bogota, there is a Popular Action in which the plaintiff is the Veeduría Ciudadana Colombia Próspera y Participativa, against the GEB in order to prevent the construction of the substation in the Gachancipá lot with a request to suspend the use and enjoyment of the property where the construction of the substation is planned for the UPME 03-2010 Project called "Norte" and that the ANLA be ordered to suspend the environmental licensing procedures. The process is in the evidentiary stage and a date has yet to be set for an evidentiary hearing. (File 2017-061).
7. In regard to the Popular Action 2001 – 0479-02 that took place in the Administrative Court of Cundinamarca, instituted against GEB, EMGESA and others, by the citizen Gustavo Moya Ángel and others, where protection was requested for dumping and storage of sewage in the Muña reservoir and the Bogotá River basins, there is a final ruling issued by the Fourth Section of the Council of State on March 28, 2014, in which obligations were imposed on the different parties involved. The collective rights requested are to water, the enjoyment of a healthy environment, the existence of ecological balance and the management and rational use of natural resources. Enjoyment of public space,

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

defense of goods for public use, access to public services. The procedure is in verification of compliance with the sentence in the Administrative Court of Cundinamarca and on October 17, 2019, the Incident of Contempt No. 74 was resolved (as well as the beginning of some others to define different aspects related to compliance with the different parties involved), where it decided not to declare contempt and imposed obligations on the defendants, a decision that was the subject of appeals and requests for clarification by some of the parties. The appeals and requests for clarification were resolved by judicial decree notified on June 4, 2020, GEB had not submitted requests, but it was indicated in the considerations of the decision that construction of the property acquired for the substation could not be carried out regardless of what is decided in the Environmental Diagnosis of Alternatives that must be carried out to consider other location options. In District Decree 156 of 2021, GEB was included in the Intersectoral Commission to monitor compliance with the Bogotá River ruling. It is in follow-up meetings to verify compliance.

8. In the Administrative Court of Quindío, is undergoing a verification of the ruling of the Popular Action with File 2014 – 0222 against GEB, the Ministry of Mines and Energy, the Ministry of Environment, ANLA, ICANH and others. Plaintiff Gildardo Cuellar requests protection of the environment and the suspension of the Armenia Project. The process is in the process of monitoring the decision before the respective Committee, hydrogeological studies were carried out, the ANLA ruled on them, stating that effectively there are no bodies of water with respect to towers 3 and 13 of the project. The Court lifts the measures to suspend activities at the points of Towers 3 and 13, which previously existed and the compliance monitoring meetings continue, the most recent one was on December 13, 2021.
9. In the Second Civil Court of the Circuit Specialized in Land Restitution of Cali, there is a request for Restitution of Collective Territorial Rights filed by the Special Administrative Unit for the Management of Restitution of Land Dispossessed - Valle del Cauca and Eje Cafetero Territorial, on behalf and in representation of the KWET WALA Indigenous Community located in the Municipality of Pradera (Valle del Cauca), claiming the extension of their collective territory and where, if the claims are successful, they could affect lands where easements are required for the layout of the "Tesalia-Alfárez" Project. In this action the Court bound the GEB as executor of the "Tesalia-Alfárez" Project and it is currently being processed. The plaintiff requested to order the accumulation to the proceeding, a process of easement with Case No. 2018-212 where the GEB is the plaintiff, but the Court decided not to access because it does not correspond to the land area of the claims. In June 2021 the Court required GEB to verify whether there is or not affectation of the terrain spheres that integrate the reservation with the project Tesalia, to define whether to process or not the opposition initially filed by GEB. The interim technical review was performed and it found that the project Tesalia does not cross or affect the lands requested in restitution. The response is in analysis of the Court for decision and there have been no other actions (Restitution File No. 2018-0037).
10. In the First Civil Court of the Circuit Specialized in Land Restitution of Medellín Antioquia, there is a process of Land Restitution and Land Formalization in which Ruby Lucia Montaña acts as plaintiff represented by the Land Restitution Unit. The GEB was involved in the process because the property that is the object of the restitution request has an electric power conduction easement in its favor, which was constituted by means of a judicial process. The process completed the evidentiary process and the requirements to various authorities or public entities to obtain information related to the

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

request and had the stage of concluding arguments. The process is currently in the Court of Antioquia Civil Court Specialized in Land Restitution, for decision. (File 2019-0042). The processing of evidence ended and was sent to the Court on October 2021, pending decision on the case.

11. In the Second (2) Civil Court of the Specialized Circuit in Land Restitution of Acacías Meta, with the File 2017-00007-00, the process of Land Restitution and Formalization of Abandoned Lands, requested by Mrs. María Hercilia Castro Quevedo, the determined heirs of Octaviano Rodríguez Malaver (Leidy Marcela Rodríguez Castro, Yuli Fernanda Rodríguez Castro, Andrés Julián Rodríguez Castro and William Rodríguez Castro) and the Curator Ad Litem of the Indeterminate heirs of Octaviano Rodríguez Malaver. The GEB was linked to the proceedings because there is an easement of electric energy conduction on the property subject to restitution, in its favor since 1989. The process is still in process of notifications.
12. In the First Civil Court of the Specialized Circuit in Land Restitution of Popayan is undergoing the Land Restitution Process with File 2019-0306, promoted by the Land Restitution Unit, representing Ms. Ana Cecilia Montenegro against Graciela Arroyo Montenegro and others. In this process, the Court ordered to bind GEB through an Order of February 5, 2020, since there is an easement in favor of the Company on the property subject to the request for restitution and that it was constituted in 2007. The information in this process was received on May 26, 2020 and the case was analyzed and proceeded to respond with opposition to the claims that seek to cancel the right of easement of GEB. The Court took into account the evidence provided by the parties and forwarded the parties for closing arguments, which were presented by GEB. Pending sentencing.
13. In the Civil Court of the Specialized Circuit in Land Restitution – Itinerante, Antioquia, with File 05-000-31-21-101-2020-000061-00, is undergoing the process of Land Restitution and Formalization of Abandoned Lands, requested by Mr. Martín Emilio Vanegas Marín. GEB was linked to the process because on the property subject to restitution there is an easement for conduction of electrical energy in its favor since September 25, 2019, conferred by the Judgment issued by the Municipal Promiscuous Court in Angelópolis orally to favor of GEB. The process had a hearing in May 2021 to receive testimonies, and the plaintiff recognized the existence of the easement, its payment, and did not oppose the continuation of the easement. Pending opening to closing arguments and sentence.
14. In the First (1) Civil Court of the Specialized Circuit in Land Restitution of Cundinamarca, with File 25000-31-21-001-2020-00066-00, is undergoing the process of Land Restitution and Formalization of Abandoned Lands, requested by Mr. Jesús Arturo Torres Guavita. GEB was linked to the process because on the property subject to restitution, there is an easement for conduction of electrical energy registered in its favor 51 years ago and that since 1997 belongs to the company Codensa S.A. E.S.P. GEB requested the linking of Codensa. The process is in the process of notifications and conducting an interrogation hearing.
15. In the Court Circuit 001 Specialized in Land Restitution of Cundinamarca, with File 25000312100120200002800, is undergoing the process of Land Restitution and Formalization of Abandoned Lands, requested by Ms. Angelina Gutiérrez De Báez. GEB was linked to the process because on the property subject to restitution, there is an easement for conduction of electrical energy registered in its favor 51 years ago and that since 1997 belongs to the company Codensa S.A. E.S.P. GEB requested the linking of Codensa. The process is in the process of notifications.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. AND ITS SUBORDINATES

Notes to the Financial Statements

For the years ended December 31, 2021 and 2020

(Expressed in thousand of U.S. Dollars)

16. In the Court of Circuit 001 Specialized in Land Restitution of Cundinamarca, with File 25000312100120200004100, is undergoing the process of Land Restitution and Formalization of Abandoned Lands requested by Ms. DEISY ALEXANDRA HERRÁN GÓMEZ. GEB was linked to the process because of the property subject to restitution there is a partial sale in favor of Empresa de Energía Eléctrica de Bogotá registered in its favor 40 years ago and that since 1997 belongs to the company EMGESA. GEB requested the linkage of EMGESA. The process is in the process of notifications in August 2020 and the disassociation of the GEB was agreed with an order of October 20, 2021 because EMGESA is the owner of the easement that supported the linkage of GEB.
 17. Simple Nullity Action filed by María del Pilar Pardo and others, against the Ministry of Environment and Sustainable Development and other defendants, seeking the nullity of Resolution No. 968 of May 31, 2018 “By means of which permanently and temporarily subtract some project-product forest reserve areas in the upper basin of the Bogotá River and other decisions are made” and Resolution 478 of April 11, 2019 “By means of which an appeal for reversal is resolved against Resolution 0968 dated May 31, 2018, within file SRT-0393.”, related to the Upme Project 03 of 2010 - North and issued by the Direction of Forests, Biodiversity and Ecosystem Services of the Ministry of Environment and Sustainable Development. The process was admitted by the Council of State, Contentious-Administrative Chamber, First Section with Order dated June 15, 2021, notified by email on June 23, 2021. GEB answered the lawsuit in August 2021 and is in the process prior exceptions. (Process with File 2021-00252).
 18. On the other hand, it was reported that Civil Chamber of the Supreme Court of Justice, through ruling SC3368-2020 of September 21, 2020, P.M. Octavio Augusto Tejeiro, resolved the accumulated extraordinary appeals for review filed by GEB against the ruling of August 31, 2011, issued by the Civil Decongestion Chamber of the Superior Court of the Judicial District of Bogotá within the abbreviated process of Carlos Paz Méndez, declaring them unfounded, for which, with this decision, the process is considered completed as there are no other means of defense to be exhausted. Notwithstanding the foregoing, the provision is maintained since the court order to make the payment is not final and the decision of the Civil Court 18 of the Circuit of Bogotá is awaited in relation to the request proposed by GEB on October 1, 2020 to decree the tacit withdrawal of the executive process, which was decreed in March 2021 and the plaintiff filed requests against that decision for review and in October 2021 it was denied, maintaining the decision.
- 35. Subsequent events**
- In February 2022, the Brazilian society Argo Energia Empreendimentos e Participações S.A. (Argo) held shares of GEB by 50%, complying with conditions of the share purchase contract signed with Rialma Administração e Participações S.A., and after the regulatory authorities in Brazil approved the operation, acquires the totality of share capital of Rialma Transmissora de Energia III S.A. (Rialma III).
- Rialma III is the winning company of Lot 30 of the auction 005/2016 carried out by the National Agency of Electric Energy (ANEEL) on April 2017. The concession is located in the states of Piauí, Pernambuco, and Ceará, and is in charge of the construction and operation of 322 kilometers of transmission lines in 500kv – C1. From now on the company name of Rialma III will be Argo IV Transmissão de Energia S.A.