Results Report

# 3Q22

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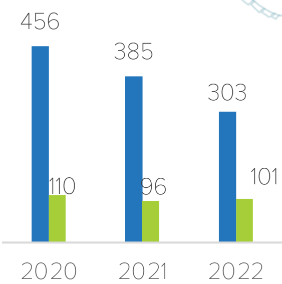
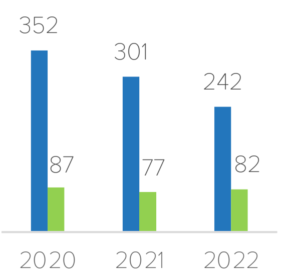
TGI GrupoEnergíaBogotá

## Accumulated and 3Q figures

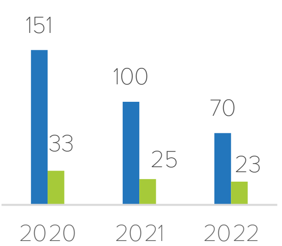
### Revenue
*(USD mm)*



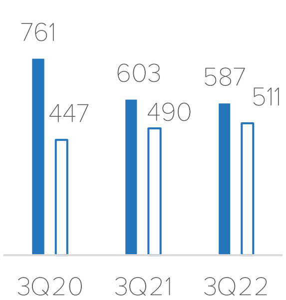

### EBITDA
*(USD mm)*




### Net Income
*(USD mm)*




### Firm contracted capacity and transported volume
*(Mpcd)*




Underline figure: Transported Volume
Data calculated as simple quaterly averages

## TG promotes natural gas as the leading energy source in a just, sustainable and competitive transition

- Expansion: i) active commercial management resulting in new revenues, incremental volumes and increased sustainable mobility; ii) development of structural demand by promoting the use of Ballena- consumption centers and reconfiguration of the parking service; iii) managing new midstream revenue sources.
- Regulatory: i) TGI maintains the remuneration methodology and functional currency in USD until the pending administrative acts are resolved (Resolution 102-010); ii) Filing of request for aggregation of all TGI's regulatory tranches with the CREG (stamp); iii) TGI submitted the independent expert opinion; iv) under evaluation by CREG request for amendment of Resolution 175: RUL future and foreign exchange risk; v) progress in exchange and market risk mitigation: Early tender offer of 2028 senior bonds for USD 155.8 mm, and processing USD hedging approvals.
- Efficiency: Accumulated savings of USD 15.4 mm in OPEX and CAPEX; ii) optimization of O&M contractual processes.
- Transformation: i) Definition of pilots and partnerships for development of hydrogen initiatives; ii) development of 3 digitalization and analytics projects

| Table N°1 – Relevant financial indicators | 3Q21 | 3Q22 | Var | Var % | 9M21 | 9M22 | Var | Var % |
|---|---|---|---|---|---|---|---|---|
| Revenue (USD thousand) | 96.107 | 101.406 | 5.299 | 5,5% | 287.136 | 303.363 | 16.227 | 5,7% |
| Operating income (USD thousand) | 51.182 | 59.619 | 8.436 | 16,5% | 158.972 | 171.458 | 12.487 | 7,9% |
| EBITDA (USD thousand) | 76.804 | 82.326 | 5.522 | 7,2% | 228.783 | 242.416 | 13.633 | 6,0% |
| EBITDA Margin | 79,9% | 81,2% | 1,3 pp | | 79,7% | 79,9% | 0,2 pp | |
| Net income (USD thousand) | 25.149 | 22.836 | -2.313 | -9,2% | 75.929 | 69.899 | -6.031 | -7,9% |
| Gross Debt / EBITDA* | 3,6x | 3,6x | 0,05x | | 3,6x | 3,6x | 0,05x | |
| Net Debt/ EBITDA* | 3,3x | 3,0x | -0,28x | | 3,3x | 3,0x | -0,28x | |
| EBITDA* / Financial Expenses* | 4,7x | 4,6x | -0,12x | | 4,7x | 4,6x | -0,12x | |

International credit rating:

Fitch – Corporate Rating– Sep. 22 I 22: BBB, stable

Moody's – Corporate Rating – Sep 09 I 22: Baa3, stable

Last 12 months

## Natural gas market in Colombia

- Domestic natural gas demand registered a slight decrease compared to the levels recorded during 3Q21, mainly in the petrochemicals sector (-13.5 GBTUD) and other consumption (-26.8 GBTUD), offset by the growth dynamics in the residential-commercial (+26.5 GBTUD) and industrial (+9.1 GBTUD) sectors.
- Center region demand increased by 62.4 GBTUD compared to 3Q21 mainly in the thermoelectric (+35.8 GBTUD) and industrial (+23.7 GBTUD) sectors.

| Table N°2 – Natural gas demand by sectors | Colombia | | | Center region demand | | |
|---|---|---|---|---|---|---|
| *(GBTUD)* | 3Q21 | 3Q22 | Var % | 3Q21 | 3Q22 | Var % |
| Industrial - refinery | 427 | 436 | 2,1% | 291 | 315 | 8,1% |
| Residential - commercial | 206 | 232 | 12,9% | 165 | 187 | 13,0% |
| Thermal | 217 | 215 | -0,9% | 34 | 70 | 104,5% |
| Vehicular – CNG | 53 | 55 | 4,6% | 42 | 47 | 10,8% |
| Petrochemical | 18 | 5 | -74,0% | 1 | 1 | 36,4% |
| Other Consumption | 27 | 0 | -100,0% | 23 | 0 | -100,0% |
| Total | 948 | 944 | -0,4% | 557 | 620 | 11,2% |

# Financial Performance

TGI (Transportadora de Gas Internacional) develops and provides integrated midstream solutions for low-emission hydrocarbons to large users, producers, and developers of energy markets, connecting sources with consumption centers through long-term relationships. TGI is incorporated under Colombian law.

This report discloses the corresponding variations under International Financial Reporting Standards (IFRS) of the comparative financial statements for 3Q21 and 3Q22 (3 months).

## Quarterly Results 3Q22

### Operational Revenues

Table N°3 – Revenue Breakdown

| USD '000 | 3Q21 | 3Q22 | Var | Var % | 9M21 | 9M22 | Var | Var % |
|---|---|---|---|---|---|---|---|---|
| By type of charge | | | | | | | | |
| Capacity – AO&M | 81,932 | 84,873 | 2,941 | 3.6% | 245,543 | 258,983 | 13,440 | 5.5% |
| Variable | 12,813 | 15,000 | 2,187 | 17.1% | 36,789 | 40,712 | 3,923 | 10.7% |
| Other Revenues | 1,363 | 1,533 | 170 | 12.5% | 4,803 | 3,667 | -1,136 | -23.6% |
| By Currency | | | | | | | | |
| Indexed to USD | 71,365 | 78,505 | 7,141 | 10.0% | 212,442 | 230,594 | 18,151 | 8.5% |
| Indexed to COP | 24,743 | 22,901 | -1,842 | -7.4% | 74,693 | 72,769 | -1,924 | -2.6% |
| Total | 96,107 | 101,406 | 5,299 | 5.5% | 287,136 | 303,363 | 16,227 | 5.7% |

Revenue performance by type of charges in 3Q22:

- Capacity charges reached USD 63.5 mm in 3Q22, growing USD 5.0 mm (8.5%) mainly due to: i) the tariff increase by indexation to the PPI (US Capital Goods) of 6.61%[1]; ii) increase in quarterly firm contracting due to incremental volumes in the Vasconia-Sebastopol (23 Mcfpd) and Vasconia-Barrancabermeja (16 Mcfpd); and iii) additional contracting of transportation in the Ballena field under contingency transportation modality, and additional gas transported due to undeferrable maintenance reported by CNOGas[2] with several shippers.
- AO&M charges, remunerated in COP, of COP 94,187 mm (USD 21.4 mm), recorded an increase of 4.4% in COP explained by the reasons mentioned above: i) the tariff increase of 5.62% due to the indexation to the CPI (Colombia); ii) increase in quarterly take or pay contracting due to incremental volume in the the Vasconia-Sebastopol and Vasconia-Barrancabermeja routes; and iii) additional contracting of transportation in the Ballena field under contingency transportation modality, and additional gas transported due to undeferrable maintenance reported by CNOGas. On the other hand, the conversion to USD due to the devaluation of the COP had a negative impact on this item of USD 3.0 mm, generating a variation of -8.6%.
- Variable charges in USD (14.8% of total revenues) increased due to: i) additional interruptible transport contracted during the quarter; ii) annual tariff increase of 6.61% due to the indexation to the PPI (US Capital Goods); and iii) other income from additional daily contracting. The average volume transported increased from 490 Mcfpd in 3Q21 to 511 Mcfpd in 3Q22 (please see operational data).

[1] PPI 2021, indexation that applies for the whole of 2022 as tariffs are updated once a year.

[2] National Natural Gas Operating Council - Resolution CREG 126 of 2021 - Article 3 paragraph.

- Non-regulated operating revenues, classified as complementary services, grew by 12.5% to close at USD 1.5 mm due to higher revenues associated with gas loss payments.

By currency, 77.4% of revenues were USD-denominated charges (mainly fixed charges for capacity and variable charges) and the remaining 22.6% COP-denominated charges (mainly fixed charges for AO&M).

- Revenues denominated in USD grew due to de increase in fixed charges (USD 5.0 mm / 8.5%) associated with the indexation, the increase in quarterly firm contracts at intermediate points, additional transport contracts in Ballena Field in the contingency modality and additional gas transport due to undeferrable maintenance reported by CNOGas.
- Revenues denominated in COP fell 7.4% (in USD) as a result of the COP devaluation.

## Operating Costs

Table N°4 – Operating Costs

| USD '000 | 3Q21 | 3Q22 | Var | Var % | 9M21 | 9M22 | Var | Var % |
|---|---|---|---|---|---|---|---|---|
| Professional Services | 4,347 | 3,774 | -573 | -13.2% | 12,728 | 12,150 | -578 | -4.5% |
| Maintenance | 1,804 | 1,922 | 118 | 6.5% | 5,138 | 7,456 | 2,318 | 45.1% |
| TFC | 540 | 451 | -89 | -16.5% | 1,679 | 1,286 | -393 | -23.4% |
| D&A | 23,507 | 21,201 | -2,305 | -9.8% | 68,530 | 65,789 | -2,741 | -4.0% |
| Other costs | 6,125 | 6,856 | 731 | 11.9% | 18,359 | 21,642 | 3,283 | 17.9% |
| Total | 36,324 | 34,204 | -2,119 | -5.8% | 106,433 | 108,323 | 1,890 | 1.8% |

*TFC: Taxes, fees and contributions*

Operating costs decreased during the quarter compared to 3Q21 mainly due to:

- Lower professional services costs gained with efficiencies achieved during the quarter, particularly savings on the project management support contract, in line with the status of the projects and the increased involvement of TGI's direct staff in the functions previously performed by the technical support team.
- Lower depreciation and amortization costs due to project capitalization during 2021.

This was offset by: i) the increase in other costs given the increase in the national fuel gas tariff indexed to CPI 2021; and ii) inventory replacement due to losses which generated increases in the purchase of packaging gas, (a concept that is recognized as a loss in the tariff charged to the shipper).

## Administrative and Operating Expenses (net)

Table N°5 – Administrative and operating expenses (Net)

| USD '000 | 3Q21 | 3Q22 | Var | Var % | 9M21 | 9M22 | Var | Var % |
|---|---|---|---|---|---|---|---|---|
| Personal services | 2,394 | 2,457 | 62 | 2.6% | 7,701 | 8,038 | 337 | 4.4% |
| Overhead Expenses | 3,597 | 3,287 | -310 | -8.6% | 10,950 | 8,807 | -2,143 | -19.6% |
| Taxes | 495 | 333 | -162 | -32.7% | 1,798 | 1,567 | -231 | -12.8% |
| DA&P | 4,185 | 3,530 | -655 | -15.6% | 8,188 | 8,231 | 43 | 0.5% |
| Other expenses | 0 | 53 | 53 | -100.0% | 40 | 53 | 13 | 32.1% |
| Other income | -2,070 | -2,078 | -7 | 0.4% | -6,948 | -3,115 | 3,832 | -55.2% |
| Total | 8,602 | 7,583 | -1,018 | -11.8% | 21,731 | 23,581 | 1,851 | 8.5% |

*DA&P: Depreciation, Amortization and Provisions*

Administrative and operating expenses (net of other expenses and income) decreased mainly due to:

- Decrease in general expenses from the progress in the implementation of initiatives that has allowed to capture savings of USD 15.4 mm at the end of September 2022, USD 1.1 mm more than 2Q22.
- Depreciation, amortization and provisions for base effect given the recognition of glossed invoices from distributors during July 2021 corresponding to fixed transport service, which are not repeated during 3Q21.
- Lower tax expenditure due to lower tariffs on the contribution to the Residential Public Services Superintendency by 2022.

### Non-Operating Result (net)

The non-operating result (net) went from USD -13.9 mm in 3Q21 to USD -18.4 mm in 3Q22, mainly explained by:

- Equity method result (USD -2.7 mm; -173.4%): lower results of Contugás affected by higher level of debt provisions.
- Foreign exchange net difference (USD -2.2 mm; 396.2%): due to the foreign exchange purchase and the effect of the COP devaluation during the quarter vs 3Q21.
- Finance costs (USD -0.3 mm; +2.1%): for the accounting effect of the valuation of the amortized cost of bonds and the intercompany loan that have no impact on cash generation.

This was offset by a higher financial income (USD +0.7 mm; +42.5%) for yields capture from surpluses temporarily invested in fixed income instruments, such as Time Deposits and CDTs and the interest rate increase.

### Income Taxes

Current tax (USD +5.4 mm; +40.4%): due to the increase in income tax rate of 4 percentage points from 31% in 2021 to 35% in 2022 according to the tax reform approved in 2021.

Deferred tax (USD -0.9 mm; -72.5%): a consequence of the variations in the taxable base caused by the exchange rate differential on the company's foreign currency liabilities and assets.

### Net Income

Net income went from USD 25.1 mm in 3Q21 to USD 22.8 mm in 3Q22 (-9.2%) explained by non-operating results, mainly due to the effect of lower income from equity method, lower income from foreign exchange differences and the effect of the increase in the income tax rate on current tax.

### EBITDA

Table N°6 – EBITDA

| USD '000 | 3Q21 | 3Q22 | USD | Var | 9M21 | 9M22 | Var | Var % |
|---|---|---|---|---|---|---|---|---|
| EBITDA | 76,804 | 82,326 | 5,522 | 7.2% | 228,783 | 242,416 | 13,633 | 6.0% |
| Margin EBITDA | 79.9% | 81.2% | | 1.3 pp | 79.7% | 79.9% | | 0.2 pp |

EBITDA increased due to higher revenues of USD 5.3 mm (5.5%) on additional firm and contingency transportation contracts, additional revenues from interruptible transportation services, as well as higher tariffs, mainly fixed charges indexed to USD.

## Debt profile

Table N°7 – Relevant debt items

| USD '000 | 2021 | Sep-22 | Var | Var % |
|---|---|---|---|---|
| Total net debt | 987,972 | 938,701 | -49,271 | -5.0% |
| Gross senior debt | 758,714 | 754,411 | -4,303 | -0.6% |
| Total gross debt | 1.128,714 | 1.131,946 | 3,231 | 0.3% |
| EBITDA LTM* | 332,622 | 314,360 | -18,262 | -5.5% |
| Financial Expenses LTM* | 70,036 | 68,339 | -1,697 | -2.4% |
| Debt ratios | | | | |
| Gross Debt / EBITDA* | 3.4x | 3.6x | 0.2x | |
| Net Debt/EBITDA* | 3.0x | 3.0x | 0.0x | |
| EBITDA* / Financial expenses* | 4.7x | 4.6x | -0.1x | |

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

Because of the operational results and the higher cash generation, the net leverage level went from 3.8x at the end of 2021 to 3.6x September 2022, and the coverage ratio closed at 4.6x vs. 4.5x in 2021.

| Table N°8 – Debt profile | Amount USD mm | Currency | Coupon (%) | Maturity |
|---|---|---|---|---|
| Senior - International bond | 750 | USD | 5.55% | 1-Nov-28 |
| Inter-company subordinated | 370 | USD | 5.02% | 21-Dic-22 |
| Financial liability IFRS 16 | 4.5 | USD | 8.64% | N/A |
| Leasing-Renting | 7.4 | USD | N/A | Long term |

As of September 1st, 2022, Resolution CREG 175 DE 2021, and its amendments (CREG 102 of 2022) came into force, adjusting the remuneration methodology for the natural gas transportation service, indexing the COP tariffs of the fixed capacity and variable charges to remunerate the investment only for those transporters that at that date did not have administrative acts pending with the CREG.

TGI has not yet entered the change of remuneration methodology, as it has pending administrative acts related to tariffs for assets that have reached their regulatory useful life and therefore the change of functional currency has not taken place. In this regard, the company maintains a constant dialogue with the regulator and continues with the relevant steps to protect itself from exchange rate risk given the company's passive position in USD.

In order to optimize balance sheet and face the new regulation, on September 27th, 2022, TGI announced the partial cash tender offer for up to USD 150 mm of the 5.550% Senior Notes due 2028 and at the end of October adjusted its offer to USD 155.8 mm, bringing the senior bond balance to USD 594.2 mm at the close of the transaction.

# Commercial Performance

## Revenue breakdown by sector

| Table N°9 – Revenues Composition by Sector | 3Q21 | 3Q22 | 9M21 | 9M22 |
|---|---|---|---|---|
| Residential-Distributor | 69.1% | 64.6% | 71.8% | 64.5% |
| Industrial | 13.6% | 15.8% | 13.7% | 15.8% |
| Vehicular | 4.6% | 4.9% | 4.8% | 4.8% |
| Commercial | 3.7% | 7.9% | 3.3% | 7.9% |
| Thermal | 6.5% | 6.2% | 4.2% | 6.3% |
| Refinery | 2.5% | 0.6% | 2.2% | 0.7% |

| | | | | |
|---|---|---|---|---|
| Petrochemical | 0% | 0% | 0% | 0% |
| Total | 100.0% | 100,0% | 100.0% | 100.0% |

The residential and industrial sectors contributed 80.3% of the accumulated revenues at the end of 3Q22. The commercial and thermal sectors had the highest growth as of September 2022 with a 7.9% and 6.3% share vs 3.3% and 4.2% for the accumulated as of September 2021. In the thermal sector, the increase is explained by the higher consumption at Termo Ocoa and Termosierra during the quarter vs 3Q21.

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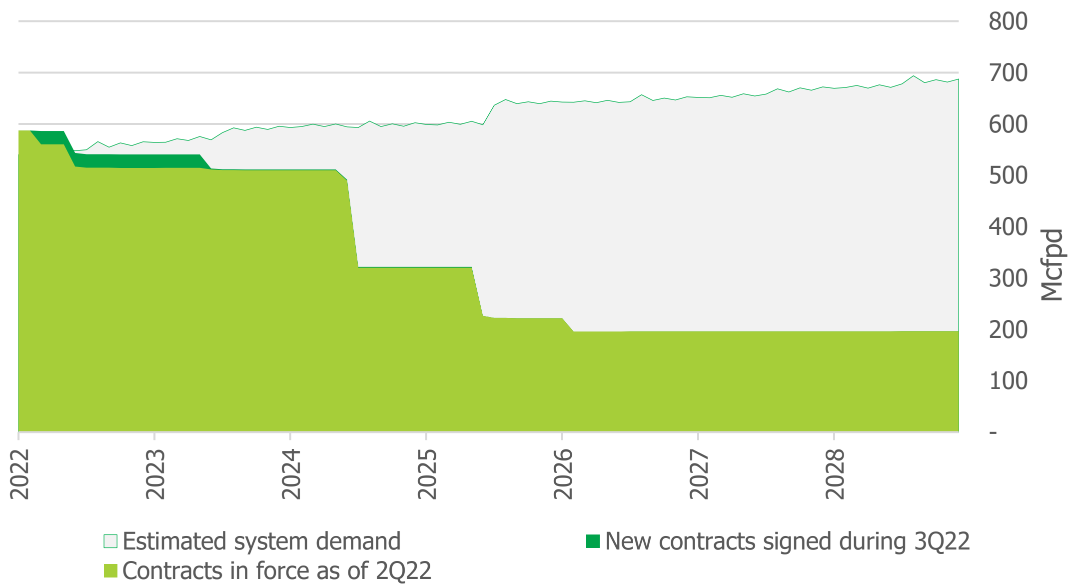
## Contractual Structure

| Table N°10– Contractual structure | Nº Total Contracts | Nº Take or Pay | NºInterruptible | Residual Life Take or Pay (average years) |
|---|---|---|---|---|
| 3Q21 | 714 | 710 | 4 | 5.0 |
| 3Q22 | 657 | 639 | 18 | 4.2 |

Between September 2021 and September 2022, there was a variation from 714 contracts in force to 657. At the end of 3Q22, 97.3% of the contracts are firm and 2.7% in interruptible mode. The firm contracts are on average weighted under 91% fixed charges and 9% variable charges ratio, approximately. As of September 2022, the company has contracted 69.1% of its available capacity.

Graph N°1 – Residual contracted life




The usual commercial contracting cycle in the sector, under current regulatory parameters, is developed on a quarterly basis. The current dynamics show a short-term contracting cycle (maximum one year), explained by a low supply of longer-term gas supply contracts. As the supply processes of the molecule take effect, the gap between the contracted curve and the demand projection (between 500 and 600 Mpcd to 2024) will decrease.

## Operational Performance

| Table N°11 – Selected operational indicators | 3Q21 | 3Q22 | Var % |
|---|---|---|---|
| Total capacity - Mcfpd | 849.4 | 849.4 | 0.0% |
| Take or pay contracted capacity – Mcfpd * | 603 | 587 | -2.7% |
| Transported volume – Average Mcfpd | 490 | 511 | 4.2% |
| Load factor | 55% | 56% | 0.8 pp |
| Availability | 100% | 100% | 0.0 pp |
| Gas pipeline length - Km | 4,033 | 4,033 | 0.0% |

* Measured by contracted capacity from production fields to exit points.

The total length of TGI's gas pipeline network remains at 4,033 Km, of which 3,883 Km are owned and operated by TGI; the remaining 150, although under its control and supervision, are operated by the contractor, as established in the operation and maintenance contract. The system operates mainly with natural gas from the Cusiana, Cupiagua and Ballena / Chuchupa basins. On the other hand, reliability remain at 100,0% and the usage factor increased to 56,1%.

| Table N°12 – Volumen by transporter (Mcfpd) | 3Q21 | Part % | 3Q22 | Part % | Var % | Var |
|---|---|---|---|---|---|---|
| TGI | 490.1 | 56.3% | 510.6 | 55.3% | 4.2% | 20.5 |
| Promigas | 337.5 | 38.8% | 350.3 | 37.9% | 3.8% | 12.8 |
| Others | 42.7 | 4.9% | 63.2 | 6.8% | 47.9% | 20.5 |
| Total | 870.3 | 100.0% | 924.1 | 100.0% | 6.2% | 53.8 |

In 3Q22, there was an increase in the volumes transported by TGI of 4.2% and a slight decrease in the share of the average daily transported volume (1.0%) due to higher industrial consumption in general. In relation to the total volume transported in the national gas pipeline network, TGI continues to be the main player with 510.6 Mcfpd, while the second is Promigas with 350.3 Mcfpd (the two companies have 93.2%).

| Table N°13 – Total transportation capacity of TGI's system | Capacity Mcfpd |
|---|---|
| Ballena – Barracabermeja | 260 |
| Mariquita – Gualanday | 15 |
| Gualanday – Neiva | 11 |
| Cusiana – Porvenir | 470 |
| Cusiana – Apiay | 64 |
| Apiay – Usme | 18 |
| Morichal – Yopal | 12 |
| Total | 849 |

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

# Projects in execution

Investments during 3Q22 correspond to USD 5.5 mm, presenting an increase of USD 0.7 mm vs. 3Q21, mainly due to maintenance. Investments in the project portfolio amounted to USD 1.5 mm, a decrease of USD -1.45 mm vs. 3Q21 due to the completion stage of the Cusiana Phase IV project, with physical progress at Sep-22 of 99%.

## Natural gas supply plan projects (IPAT-spanish acromym[3])

During 3Q22 the CREG decreed, by means of an evidence order, the practice of an expert test with the aim of verifying that, with the information and specifications of the IPAT projects delivered by TGI, the service can be provided in accordance with the characteristics defined for each project in the Natural Gas Supply Plan.

Infraestructure Mariquita Gualanday

- Estimated project capex: USD 6.0 mm
- Transportation Capacity: 20 Mcfpd
- Approval of the modification of the environmental by ANLA
- Maturing of budget and technical specifications, purchasing processes, compression units and Epecist
- Approach to the CREG for official pronouncement of the efficient value to evaluate the viabili of the project
- Order of proof on file 2022-0031

Bidirectionality Yumbo Mariquita

- Estimated project capex: USD 105.0 mm
- Transportation Capacity: 250 Mcfpd
- Management before the CREG for an offic pronouncement of the efficient value to evaluate financial viability of the project
- Order of proof on file 2022-0032

Infraestructure Ramal Jamundí

- Estimated project capex: USD 6.0 mm
- Transportation Capacity: 3 Mcfpd
- In process of approval of modification of Environmental Licence
- Maturing of budget and technical specifications, purchasing processes, compression units and Epecist
- Approach to the CREG for official pronouncement of the efficient value to evaluate the viabili of the project
- Order of proof on file 2022-0031

Bidirectionality Ballena Barrancabermeja

- Estimated project capex: USD 5.0 mm
- Transportation Capacity: 100 Mcfpd
- Management before the CREG for an offic pronouncement of the efficient value to evaluate financial viability of the project
- Order of proof on file 2022-0028

[3] IPAT: Investments in priority projects of the supply plan in a transport system

# Regulatory Update

Table N°14 – Regulatory Update

| Authority | Resolution | Scope | Status | |
|---|---|---|---|---|
| | | | | View more |
| CREG | CREG circular 068 of 2022 | Publishes the expected capacity and volume demands, as well as the total contracted capacity declared by TGI in accordance with the procedure established in article 21 of Resolution CREG 175 of 2021. | Released | View more |
| | CREG resolution 102 008 of 2022 | Adjustments are made and Resolution CREG 107 of 2017 "Whereby the procedures to be followed to execute natural gas supply plan projects" is compiled. | Released | View more |
| | CREG resolution 102 009 of 2022 | Resolution CREG 152 of 2017 - procedures to be applied in the execution through selection processes of Pacific gas import infrastructure is adjusted and compiled. | Released | View more |
| | CREG resolution 702 007 and 102 010 of 2022 | Modification to CREG resolution 175 of 2021: alignment of application times of the first stage of the new methodology (WACC and USD to COP) with the termination of the actions of the assets that fulfilled RUL before 2021. | Released | View more |
| UPME | External circular No. 076 of 2022 | Final publication of the Investor Selection Documents (ISD) for the provision of LNG storage, regasification, natural gas transportation and associated services of the Pacific gas import infrastructure. | Released | View more |
| | Projected Demand for Natural Gas in Colombia UPME 2022 - 2036 | Demand Projection 2022 - 2036:<br>- Electricity<br>- Natural Gas (topic addressed in the present novelty)<br>- Liquid Fuels | Released | View more |
| | | | | |
| | | | | - |
| Ministry of Mines and Energy | Resolution MinEnergía 40281 of 2022 | Modification of the NG Supply Plan projects' commissioning date | Released | View more |

# Appendix 1. Financial Statements

| Table N°15 - Income Statement | USD '000 3Q21 | 3Q22 | Variation USD | % |
|---|---|---|---|---|
| Revenues | 96,107 | 101,406 | 5,299 | 5.5% |
| Operating costs | -36,324 | -34,204 | 2,119 | -5.8% |
| Gross income | 59,784 | 67,202 | 7,418 | 12.4% |
| *Gross margin* | *62.2%* | *66.3%* | | |
| Administrative and operating expenses | -8,602 | -7,583 | 1,018 | -11.8% |
| Personnel expenses | -2,394 | -2,457 | -62 | 2.6% |
| General expenses | -3,597 | -3,287 | 310 | -8.6% |
| Taxes | -495 | -333 | 162 | -32.7% |
| Depreciation, amortization and provision | -4,185 | -3,530 | 655 | -15.6% |
| Other expenses | 0 | -53 | -53 | -53.0% |
| Other revenue | 2,070 | 2,078 | 7 | 0.4% |
| Operating income | 51,182 | 59,619 | 8,436 | 16.5% |
| *Operating margin* | *53.3%* | *58.8%* | | |
| Financial costs | -16,588 | -16,931 | -343 | 2.1% |
| Financial revenues | 1,740 | 2,479 | 740 | 42.5% |
| Foreign exchange difference | -561 | -2,784 | -2,223 | 396.2% |
| Equity Income | 1,537 | -1,128 | -2,665 | 173.4% |
| Income before income tax | 37,310 | 41,256 | 3,946 | 10.6% |
| Current tax | -13,349 | -18,746 | -5,397 | 40.4% |
| Deferred tax | 1,189 | 326 | -862 | -72.5% |
| Net income | 25,149 | 22,836 | -2,313 | -9.2% |
| *Net margin* | *26.2%* | *22.5%* | | |

Dowbload Datapack TGI

| Table N°16 - Balance Sheet | USD '000 Dec-21 | Sep-22 | Variación USD | % |
|---|---|---|---|---|
| Assets | | | | |
| Current Assets | | | | |
| Cash and equivalents | 140,742 | 193,244 | 52,502 | 37.3% |
| Trade and other accounts receivable | 44,644 | 45,594 | 950 | 2.1% |
| Inventories | 18,738 | 17,908 | -831 | -4.4% |
| Other non-financial assets | 3,520 | 9,895 | 6,375 | 181.1% |
| Total Current Assets | 207,644 | 266,641 | 58,997 | 28.4% |
| Non-Current Assets | | | | |
| Property, plant and equipment | 2,079,096 | 2,034,442 | -44,654 | -2.1% |
| Assets by rights of use | 9,899 | 5,321 | -4,578 | -46.2% |
| Investments in associates and subordinates | 20,319 | 15,200 | -5,119 | -25.2% |
| Trade and others accounts receivable | 11,459 | 7,512 | -3,947 | -34.4% |
| Intangible assets | 155,148 | 153,369 | -1,779 | -1.1% |
| Other financial / non-financial assets | 9,384 | 26 | -9,359 | -99.7% |
| Total Non-Current Assets | 2,285,305 | 2,215,870 | -69,435 | -3.0% |
| Total Assets | 2,492,949 | 2,482,511 | -10,438 | -0.4% |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Trade and other accounts payable | 12,744 | 10,382 | -2,362 | -18.5% |
| Current tax liabilities | 6,310 | 16,969 | 10,659 | 168.9% |
| Employee benefits | 5,039 | 4,822 | -217 | -4.3% |
| Provisions | 18,444 | 12,436 | -6,008 | -32.6% |
| Financial leases | 10,209 | 6,040 | -4,169 | -40.8% |
| Other financial liabilities | 11,503 | 17,344 | 5,841 | 50.8% |
| Accounts payable to related parties | 373,033 | 376,829 | 3,796 | 1.0% |
| Total Current Liabilities | 437,282 | 444,823 | 7,540 | 1.7% |
| Non-Current Liabilities | | | | |
| Financial liabilities | 382 | 1,129 | 747 | 195.8% |
| Provisions | 66,584 | 62,932 | -3,652 | -5.5% |
| Deferred tax liabilities | 399,575 | 397,720 | -1,856 | -0.5% |
| Bonds issued | 747,330 | 749,096 | 1,766 | 0.2% |
| Other financial liabilities | 13,539 | 13,539 | 0 | 0.0% |
| Total Non-Current Liabilities | 1,227,410 | 1,224,416 | -2,994 | -0.2% |
| Total Liabilities | 1,664,692 | 1,669,238 | 4,546 | 0.3% |
| Equity | | | | |
| Common stock | 703,868 | 703,868 | 0 | 0.0% |
| Additional paid in capital | 56,043 | 56,043 | 0 | 0.0% |
| Reserves | 203,181 | 218,712 | 15,532 | 7.6% |
| Net income of the period | 100,415 | 69,899 | -30,516 | -30.4% |
| Retained earnings | -92,590 | -92,590 | 0 | 0.0% |
| Cumulative other comprehensive income | -142,659 | -142,659 | 0 | 0.0% |
| Total Equity | 828,257 | 813,273 | -14,984 | -1.8% |
| Total Liabilities + Equity | 2,492,949 | 2,482,511 | -10,438 | -0.4% |

| Table N°15 - Cash Flow Statement | USD '000<br>Dec-21 | <br>Sep-22 |
|---|---|---|
| Cash Flow from Operating Activities | | |
| Net Income | 100,415 | 69,899 |
| Adjustments for: | | |
| Depreciations and amortizations | 96,308 | 71,985 |
| Unrealized exchange difference | -1,017 | 3,185 |
| Employee benefits | -1,844 | -411 |
| Amortized cost financial obligations | 977 | 2,057 |
| Valuation of dismantlement obligations | 4,864 | 0 |
| Deferred tax | -2,731 | 3,735 |
| Spare parts consumption - assets | 54,421 | -1,856 |
| Current tax | 0 | 49,554 |
| Financial costs | 61,274 | 44,933 |
| Financial revenues | -2,220 | -4,757 |
| Valuation of equity participation method | -5,490 | 5,119 |
| Loss in property, plant and equipment | 43 | 56 |
| Inventories impairment | 1,165 | 3 |
| Accounts receivable impairment | 1,115 | 793 |
| Provisions recovery | -2,072 | 825 |
| Net Changes in Operating Assets and Liabilities | | |
| (Increase) decrease in trade and other accounts receivables | 14,125 | 4,223 |
| Increase in inventories | -1,866 | 840 |
| (Increase) decrease in other non-financial assets | 1,527 | -2,407 |
| Decrease in other financial assets | 26 | 0 |
| Decrease in trade and other accounts payable | -33,692 | -5,419 |
| Increase (decrease) in employee benefits obligations | 3,493 | 194 |
| Decrease in other financial assets | -6,821 | -9,267 |
| (Decrease) increase in estimated liabilities and provisions | 6,219 | -2,910 |
| Increase in tax liabilities | 0 | -10,260 |
| Interest payments | -41,841 | -20,992 |
| Interest payments to related parties | -19,142 | -9,287 |
| Paid taxes | -68,474 | -28,324 |
| Net cash provided by operating activities | 158,762 | 161,511 |
| Cash Flow from Investing Activities | | |
| Property, plant and equipment | -11,792 | -17,073 |
| Net cash used in investing activities | -11,792 | -17,073 |
| Cash Flow from Financing Activities | | |
| Payment of dividends | -132,517 | -78,356 |
| Payment of financial obligations | -3,475 | -501 |
| Acquired financial obligations | 0 | 2,308 |
| Net cash used in financing activities | -135,992 | -76,549 |
| Effect of exchange rate variation on cash and equivalents | -6,864 | -15,387 |
| Net Changes in Cash and Equivalents | 4,114 | 52,502 |
| Cash and Equivalents at the Beginning of the Period | 136,628 | 140,742 |
| Cash and Equivalents at the End of the Period | 140,742 | 193,244 |

## Appendix 2. Disclaimer and clarifications

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

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

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

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

## Appendix 3. Terms and definitions

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