

Q2 2023

Results Report



- Cálidda has the exclusive operation right of the single natural gas distribution concession by underground pipelines in the department of Lima and Callao, in Peru.

Table N° 1 – Key Results Q2 2023

Concept	Q2 2023	Q2 2022	ΔYoY %
Invoiced Volume (MMPCD)	827	767	+7.8%
Connections	56,972	68,199	-16.5%
Networks (Km)	357	382	-6.4%
EBITDA (MMUSD)	59	55	+6.8%

- The Micaela Bastidas, the first Cálidda 2.0 dining room in Villa El Salvador, was inaugurated. The event had the presence of the President of Perú, the Minister of Development and Social Inclusion and the Minister of Production. In addition, the alliance with was renewed with the “A Comer Pescado” Program, which trains the leaders of these dining rooms in 10 districts (+500 people) on the nutritional value of fish and its preparation. Likewise, the delivery of this product will be made at a social price.
- As part of our commitment to promoting inclusion and gender equality in the sector, Cálidda developed together with the Peruvian Training Institute the course "Construction and commissioning of internal networks of residential, commercial, category IG1 natural gas" aimed exclusively at 50 women.
- During the first week of July, Fitch Ratings ratified Cálidda's rating with a stable outlook.
- Resultados financieros relevantes al 2T 2023 (comparados con resultados al 2T 2022):

Adjusted Revenue (MMUSD)	EBITDA (MMUSD)	Net Income (MMUSD)
Q2 2023	Q2 2023	Q2 2023
185 (+0.4%)	115 (+5.9%)	53 (+3.8%)
Q2 2022	Q2 2022	Q2 2022
184	109	51

Executive Review

Operational and financial relevant data

Table N°2 – Operational and financial key indicators

Operational Results	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Cumulative Customers	1,438,899	1,497,916	1,560,379	1,625,316	1,682,288	16.9%
Invoiced Volume (MMCFD)	767	797	798	772	827	7.8%
Total Network Extension (km)	15,263	15,606	15,961	16,240	16,597	8.7%
Financial Results	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Total Revenue (MMUSD)	215	217	197	215	212	-2.8%
Total Revenue Ajust ¹ . (MMUSD)	93	90	95	91	94	+0.4%
EBITDA (MMUSD)	55	55	61	56	59	6.8%
Adjusted EBITDA margin	59%	61%	64%	62%	63%	-
Net Income (MMUSD)	26	24	28	25	28	7.7%
Interest Coverage (x)	8.4x	7.9x	7.2x	7.2x	7.2x	-
International Credit Rating:						
Fitch – Oct. 25 2022: BBB, stable						
Moody's – Apr. 04 2023: Baa2, stable						
National credit rating:						
Moody's Local Perú – May. 03 2023: AAA.pe, stable						
Pacific Credit Rating – May. 10 2023: AAA, stable						

Peruvian Natural Gas Market

Table N° 3 – Key market indicators

Indicator	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Production of Natural Gas ² (MMPCD)	1,388	1,109	1,488	1,435	1,453	4.7%
Local Market Demand (MMCFD)	785	953	1,035	855	911	16.0%
Calidda's Local Market Share (MMCFD)	588	751	775	620	657	18.1%

- At the end of Q2 2023, natural gas production in Peru increased by 4.7% compared to Q2 2022.
- As for the local market, consumption increased by 16.0% compared to Q2 2022, closing at 911 MMCFD.
- Similarly, at the end of Q2 2023, Cálidda's share of the local market averaged 74%.

¹ Total Adjusted Revenues = Total Revenues excluding pass-through revenues (acquisition and transportation of natural gas) and IFRIC 12 (investments made in the distribution system)

² Information at the end of June 2023 (Ministry of Energy and Mines)

Commercial Performance

Volume

- ✓ At the end of Q2 2023, the total invoiced volume increased by 7.8% vs. the previous year, explained by the greater demand of the generating sector due to adverse climatic events and irregular rainy periods, added to the higher consumption of the NGV sector due to the improvement in the competitiveness of natural gas as a result of the increase in the price of substitute hydrocarbons and the greater conversions of vehicles to NGV thanks to the financing granted by the State through of the FISE.
- ✓ Firm contracts reached 568 MMCFD (electric generators: 526 MMCFD + industrial segment: 42 MMCFD), representing 74% of the total invoiced volume.

The invoiced volume breakdown by client segments is shown in the following table:

Table N° 4 – Invoiced Volume per Client Segment

Invoiced Volume (MMCFD)	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Power Generation	533	556	561	539	599	12.3%
Industrial	146	150	142	140	140	-11.5%
NGV Stations	62	65	68	68	68	13.2%
Residential y Commercial	25	26	27	25	25	12.5%
Total	767	797	798	772	827	7.8%

- ✓ As shown in this table, the volume invoiced at the end of Q2 2023 reached a total of 827 MMCFD.

Contractual structure

Table N° 5 – Contracted Capacity (MMCFD)

Period	Contracted Transportation Capacity (MMCFD)			Contracted Supply Capacity (MMPCD)		
	Firm	Interrump.	Total	Firm	Interrump.	Total
2018	197	31	228	183	46	229
2019	197	31	228	188	47	235
2020	197	31	228	193	48	241
2021	197	31	228	198	22	220
2022	197	31	228	198	22	220
...
2033	197	31	228	198	22	220

- ✓ Cálidda's customers are divided into two groups: (i) Non-Regulated Customers, who consume more than 1 MMCFD and independently contract the supply, transportation and distribution of natural gas (NG), and (ii) Regulated Clients, who consume less than 1 MMCFD and enter into

a comprehensive contract with Cálidda, who provides them with the NG, transport and distribution service.

Table N° 6 – Distribution Capacity

Distribution Capacity (MMCFD)	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Distribution System Capacity	420	420	420	420	420	-
Consumed Volume	301	340	351	307	348	13.0%
Regulated Clients	169	172	172	168	172	2.1%
Independent Clients	132	168	179	139	176	26.3%

- ✓ At the end of Q2 2023, our Independent and Regulated customers consumed on average about 348 MMCFD, equivalent to 83% of our natural gas distribution capacity (Lurín – Ventanilla).
- ✓ The volume consumed is greater than the contracted capacity since this is intended to cover the demand of regulated customers.
- ✓ In this sense, at the end of Q2 2023, our Regulated customers consumed 172 MMCFD, equivalent to 78% of the contracted volume of gas and 75% of the contracted transport capacity.

Competitiveness of Natural Gas

Table N° 7 – Competitiveness per Client Segment

Competitiveness (USD/MMBTU)	Final Client Tariff Evolution					Price of substitutes ³	
	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023		
Residential and Commercial	11.46	11.80	11.98	11.92	12.32	Residential LPG	Electrical Energy
						21.49 (-43%)	34.97 (-65%)
Vehicular	9.55	9.12	9.26	9.30	9.57	Vehicular LPG	Gasoline 90
						16.49 (-43%)	29.56 (-68%)
Industrial	5.85	6.04	6.11	6.07	6.46	Electrical Energy	Industrial Petroleum
						51.70 (-88%)	20.98 (-69%)
Power Generation	3.86	3.97	4.01	3.98	4.24	Diesel	Industrial Petroleum
						25.97 (-84%)	20.98 (-80%)

- ✓ As shown in the table, for each of the segments the tariffs offered by Cálidda are highly competitive, in some cases around 88% less in contrast to its substitutes.
- ✓ A highly competitive tariff ensures a vegetative demand and therefore, stable income streams.

³ Information available from Luz del Sur, Osinergmin and Petroperú as of June 2023.

Operational Performance

Connections by Client Segment

At the end of Q2 2023, Calidda connected 56,972 clients. In the Residential segment, Calidda has operations in 41 districts from the Metropolitan area of Lima and Callao, which are the following: San Juan de Lurigancho, El Agustino, San Juan de Miraflores, Villa María del Triunfo, Los Olivos, San Martín de Porres, Comas, Puente Piedra, Villa el Salvador, Santa Anita, Cercado de Lima, San Miguel, Surco, Jesús María, Magdalena, Pueblo Libre, El Callao, Independencia, Ate, Carabayllo, La Victoria, Mi Perú, Pachacamac, Ventanilla, Chorrillos, Carmen de la Legua, Ancón, Bellavista, Breña, La Perla, Chacayo, Rímac, Barranco, Lince, Lurín, Miraflores, San Borja, San Isidro, San Luis, Chilca y Surquillo. Likewise, in the Industrial, Commercial and NGV Stations segments, Calidda has operations in 49 districts.

Table N° 8 – New Clients

New Client	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Power Generation	1	0	0	0	0	-
Industrial	10	8	17	11	21	-
NGV Stations	2	1	1	1	0	-
Residential y Commercial	68,186	59,008	62,444	64,925	56,951	-
Total	68,199	59,017	62,462	64,937	56,972	-16.5%

- ✓ 57 clients in the industrial segment were connected in the last 12 months.
- ✓ 3 NGV stations were added to the distribution network in the last 12 months.
- ✓ 219,146 residential clients and 7,111 commercial clients were connected in the last 12 months.
- ✓ During Q2 2023, 56,951 new connections were achieved, and in the last 12 months a total of 243,389.

Table N° 9 – Clients Base

Clients Base	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Power Generation	29	29	29	29	29	-
Industrial	765	773	790	801	822	7.5%
NGV Stations	289	290	291	292	292	1.0%
Residential y Commercial	1,437,816	1,496,824	1,559,269	1,624,194	1,681,145	16.9%
Total	1,438,899	1,497,916	1,560,379	1,625,316	1,682,288	16.9%

- ✓ At the end of Q2 2023 Calidda had total of 1,682,288 clients, 16.9% higher compared to the previous year.

Distribution Network

- ✓ The length of the Cálidda distribution system reached 16,597 km of underground pipeline in Lima and Callao.
- ✓ At the end of Q2 2023, Cálidda built a total of 357 km, a result although lower than the figure of the previous year, is aligned with our investment plan for the period 2022-2026 and the highest level of maturity of the company.

The next table shows the evolution of Calidda's distribution system:

Table N° 10 – Distribution System

Distribution System (Km)	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Polyethylene Network	14,627	14,967	15,320	15,597	15,948	9.0%
Steel Network	636	639	641	643	649	2.1%
Total	15,263	15,606	15,961	16,240	16,597	8.7%
New Networks	382	344	355	279	357	-6.4%

Network Penetration Ratio

- ✓ The network penetration ratio is calculated by dividing the number of connected clients by the number of potential clients that are located in an area close to Calidda's network. This key ratio increased at the end of Q2 2023 to 73% due to the constant growth of number of connected clients.
- ✓ Cálidda, according to the plan approved by the regulator, is aimed at low-income districts benefiting from subsidies from the Peruvian State, where the savings generated by the use of natural gas instead of other substitute fuels is more appreciated by residents.

The next table shows the evolution of potential clients, total clients and the penetration ratio:

Table N° 11 – Network Penetration Ratio

Network Penetration Ratio	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Potential Clients	2,112,735	2,138,440	2,162,728	2,267,119	2,290,012	9.2%
Total Clients	1,438,899	1,497,916	1,560,379	1,622,895	1,682,288	20.0%
Penetration Ratio	68%	70%	72%	72%	73%	-

Financial Performance

Revenues

- ✓ Adjusted revenues reached 185 MMUSD at 2Q 2023, 0.4% higher than 2Q 2022 levels of 184 MMUSD. Additionally, EBITDA during 2023 was 5.9% higher than 2Q 2022 results, ending at 115 MMUSD.

Table N° 12 – Revenues distribution by concepts

Adjusted Income Distribution (%) – Q2 2023			Pass-Through Concepts	
Distribution service	Main operative income of Cálidda; it is generated by the distribution of natural gas through underground pipelines to different kinds of clients.	70%	Sell and transport of natural gas	Pass-through income related to the acquisition and transportation of natural gas which are transferred to the final consumer.
Connection services	Operative income which is paid by the consumer for the internal installation of pipelines needed to achieve the connection to the natural gas network. Includes revenues from the facility's financing and connection fees.	14%	Revenues of network expansion	Pass-through income related to the investments executed by Cálidda in order to expand the distribution network.
Other services	Operative income which mainly comes from network relocation services and other services.	16%		

The next table contains the breakdown of Calidda's Adjusted Revenues:

Table N° 13 – Distribution Revenue by Segment

Distribution Revenues (MMUSD)	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Residential y Commercial	14	14	16	15	17	20.6%
Industrial	14	14	14	14	13	-3.5%
NGV Stations	7	7	8	8	8	16.3%
Power Generation	24	27	28	26	30	23.5%
Total	59	63	66	63	68	15.0%

- ✓ Even though the Residential and Commercial segment represents only 3% of the invoiced volume (table N°4), it concentrates 24% of our distribution revenues. Moreover, if we take into consideration the revenues from installation services, this segment achieves 32% of our Total Adjusted Revenues.

- ✓ On the other hand, the Power Generation segment represents 72% of the invoiced volume, 44% of the distribution revenues, and 32% of the Total Adjusted Revenues, as shown in the next table:

Table N° 14 – Adjusted Revenues per Client Segment

Adjusted Revenues per Segment (MMUSD)	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Residential y Commercial	14	14	16	15	17	20.6%
Industrial	14	14	14	14	13	-3.5%
NGV Stations	7	7	8	8	8	16.3%
Power Generation	24	27	28	26	30	23.5%
Connection Services	24	20	17	19	17	-29.9%
Others	10	7	12	9	9	-0.3
Total	93	90	95	91	94	3.7%

Key Financial Indicators

- ✓ EBITDA as of Q2 2023 reached 115 MMUSD, presenting an increase of 5.9% compared to the EBITDA of Q2 2022. This is explained by higher distribution revenues.
- ✓ The next table shows the relevant financial information by quarter:

Table N° 15 – Key Financial Indicators

Financial Results	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	ΔYoY %
Total Revenue (MMUSD)	215	217	197	215	212	-1.9%
Total Adjusted Revenue (MMUSD)	93	90	95	91	94	1.1%
Contribution Margin (MMUSD)	75	75	78	75	81	8.0%
EBITDA (MMUSD)	55	55	61	56	59	6.8%
EBITDA LTM (MMUSD)	215	221	225	228	231	7.4%
Adjusted EBITDA margin (%)	59%	61%	64%	62%	63%	-
Net Income (MMUSD)	26	24	28	25	28	7.7%
FFO LTM ⁴	142	144	145	147	149	4.9%
Total Assets (MMUSD)	1,335	1,388	1,406	1,458	1,459	9.3%
CapEx (MMUSD)	42	39	50	39	20	-52.4%
Total Liabilities (MMUSD)	1,012	1,015	1,004	1,140	1,104	9.1%
Equity (MMUSD)	323	373	402	317	354	9.6%
Total Debt (MMUSD)	807	817	792	892	892	10.5%
Net Debt (MMUSD)	760	792	752	817	864	11.1%
Debt/EBITDA	3.8x	3.7x	3.5x	3.9x	3.8x	-
Net Debt/EBITDA	3.5x	3.6x	3.3x	3.6x	3.6x	-
Interest Coverage (x)	8.7x	7.9x	7.2x	7.2x	7.2x	-

- ✓ This performance has been achieved due to the sustained growth of Assets resulting from investments in recent years.

⁴ Operating Fund = Net Income + Depreciation + Amortization

- ✓ At the end of Q2 2023, the total debt was 892 MMUSD and has the following maturity profile:

Tabla N° 16 – Perfil de Vencimientos de Deuda								
Total Debt (MMUSD)	2023	2024	2025	2026	2027	2028	2029	Total
Banking Debt	80	0	0	230	0	0	0	310
Multilateral Debt	0	13	25	345	25	13	0	420
Local Bonds	0	0	0	0	0	61	101	162
Total	80	13	25	575	25	74	101	892

Guidance

- ✓ The key indicators of the outlook for the end of 2023 are the following:

Table N° 17 – Outlook 2023							
Indicators	2018	2019	2020	2021	2022	2023P	2023P
Networks (Km)	1,345	1,474	979	2,263	1,554	1,250	1,250
Connections	184,403	191,466	93,385	254,055	260,257	215,000	230,000
EBITDA (MMUSD)	159	171	156	199	225	220	225
Net Debt/EBITDA	2.9x	3.1x	3.7x	3.4x	3.2x	3.8x	3.7x

- ✓ The solid results of 2022, despite the local context, allows us to forecast a stable growth for 2023.
- ✓ Regarding the construction of networks, this year we seek to build 1,250 kilometers of networks.
- ✓ In terms of new connections, we seek to make between 215,000 and 230,000 connections, according on the level of investment and target network kilometers.
- ✓ We expect demand to continue its gradual recovery, especially in the NGV sector, and consequently, maintain EBITDA between 220 and 225 MMUSD.
- ✓ We expect a slight increase in the Net Debt/EBITDA ratio towards levels of 3.7x and 3.8x due to the financing of our investment plans. Likewise, from 2024 a sustained deleveraging is expected.

Annexes

Annex 1: Legal note and remarks

The information provided herein is for informational and illustrative purposes only and is not, and does not seek to be, a source of legal, investment or financial advice on any subject. This presentation does not purport to address any specific investment objectives, financial situation or particular needs of any recipient. It should not be regarded by recipients as a substitute for the exercise of their own judgment. This information does not constitute an offer of any sort and is subject to change without notice. Cálidda is no obligation to update or keep current the information contained herein.

The information contains forward-looking statements based on current information and future expectations whose fulfillment is uncertain, involve risks and are often not under the control of Cálidda, so the expected results could have material variations. Some important factors that could affect the projections include material changes in the economy, business, markets, social aspects, including the effects of COVID-19; natural disasters, among others; that could affect the company's ability to generate income or reduce costs.

Cálidda expressly disclaims any responsibility for actions taken or not taken based on this information. Cálidda does not accept any responsibility for losses that might result from the execution of the proposals or recommendations presented. Cálidda is not responsible for any content that May originate with fourth parties. Cálidda May have provided, or might provide in the future, information that is inconsistent with the information herein presented. No representation or warranty, either express or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein.