



# TGI Results Presentation

4Q2023

March 22, 2024



**TGI**  
Grupo Energía Bogotá

**1** ▶ Highlights

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**2** ▶ Operational, Commercial and Financial Performance

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**3** ▶ ASG Achievements

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**4** ▶ 2024 Perspectives

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# 1 Highlights

In 4Q2023, we closed relevant financial transactions in line with the peso conversion, conducted proactive commercial management and obtained outstanding sustainability results.



## Debt Management



- Refinancing of the Inter-company loan through local banks for COP 1,342.5 MM (31-Dec USD 351 M) and payment of USD 30 M with own resources.
- Cancellation of the inter-company loan forwards in December for USD 37.1 M
- CCS coupon payment for the USD 23.6 M bond hedge

## Commercial Management



- The El Niño Phenomenon represented **COP 22,737** (USD 5.7 M) 4Q2023

## Regulatory Management



- Agenda with government entities (MME, DNP, SSPD, ANJE) to achieve Modification of Resolution 175 and Rates Dossier

Net Profit  
@Dec 2023  
**USD 155 M**

Average Volume  
Transported  
4Q2023  
**496 MPCD**

3% increase vs. 4Q2022



We won the **Women in Energy Awards** - Diversity and Inclusion Category awarded by the Association of Petroleum Engineers.



Only Colombian company with **Superior Top 1%** distinction among the companies with the best ESG results worldwide. We are part of the **Sustainability Yearbook 2024**. We maintain **1st place in the Oil and Gas Transportation and Storage industry** of the CSA of S&P Global Score 2023.

# 1

The financial figures were supported by phenomena that are not easily repeated (*one time*) and by the continuous management that has been carried out through strategic pillars



## Regulation



**~60  
USD M  
per year**

Materialization of enactment of Res. 502-035 - **recognition of revaluation of investments by VUN**, prior to Res.175, which mitigates the drop in WACC due to entry Res.175.

**Successful hedging operations** with syndicated derivatives and forwards.

**Financial Costs Neutralized**

Peso revaluation allowed capturing revenues that neutralized higher derivative costs

**Proposal to Amend Resolution 175**, through the issuance of Res. 702, with adjustment in the recognition of VUN and hedges.

## Expansion



**26  
USD M**

Millions of dollars of **Incremental revenue** from commercial and business management in 2023.

**41.7  
MPCD**

**Actual incremental transport volume** per year for new contracts.

**7  
MPCD**

**Bi-directionality B-B** product to Petrochemicals with revenues of USD 1.4 M as of Nov 2023.

**We continue to diversify midstream service offerings and secure gas demand**

## Efficiency



**25.6  
M USD**

**Impacts of efficiency initiatives implemented**, cumulative and recurrent and One Time 2023, **+5.7 MM vs 2022**

**16.4  
K USD**

per Km of **operational costs** in the gasline, maintaining **second quartile level** according to the industry benchmark

**30**

**New Initiatives** included in the 2023 portfolio aiming at **sustainability of results**

**We have developed initiatives with implemented impacts for USD 35.8 million, cumulative.**

# 1

The financial figures were supported by exceptional team management from the strategic pillars.



## Transformation



## Sustainability



## Change & Capabilities



**14.3**  
USD M

**Potential impacts** identified in the portfolio to 2030. For Biogas/Biomethane and Distributed Hydrogen Initiatives

**+1**  
USD M

**Obtained in resources** from cooperation for the development of **R&D&I** initiatives.

**1st**

**H2 hydrogen pilot** distributed in vehicles.

Cost reduction through new technologies in projects, for a total of USD 1.3 M.

**A**

Carbon Neutrality  
Energy Efficiency  
Carbon credits  
Fugitive measurements  
Ecosystems restored

**7 Locations**  
**12 Locations**  
**160,000**  
**100%**  
**17Ha**

**S**

Rural Gas Connection  
Solar Classrooms  
Rural Women Leaders  
Entrepreneurship

**892 Persons**  
**18 Installed**  
**288 Trained**  
**30 Projects**

**G**

Risk Management  
Ethics and Compliance  
Emerging Risks  
1st. Steps in CSR  
Sustainable Procurement

**95% training**  
**98% training**  
**2 Identified**  
**3 Suppliers**  
**1 Contract**

**185**

**Collaborators recognized** for special tasks, plus **48 for the progress achieved in initiatives**

**130**

**Women's Leadership School -** Women from all levels of the organization trained.

**53**

**Leaders in Executive Coaching Program,** to improve leadership skills.

**+200**

**Collaborators** participating in the **Transformation** process

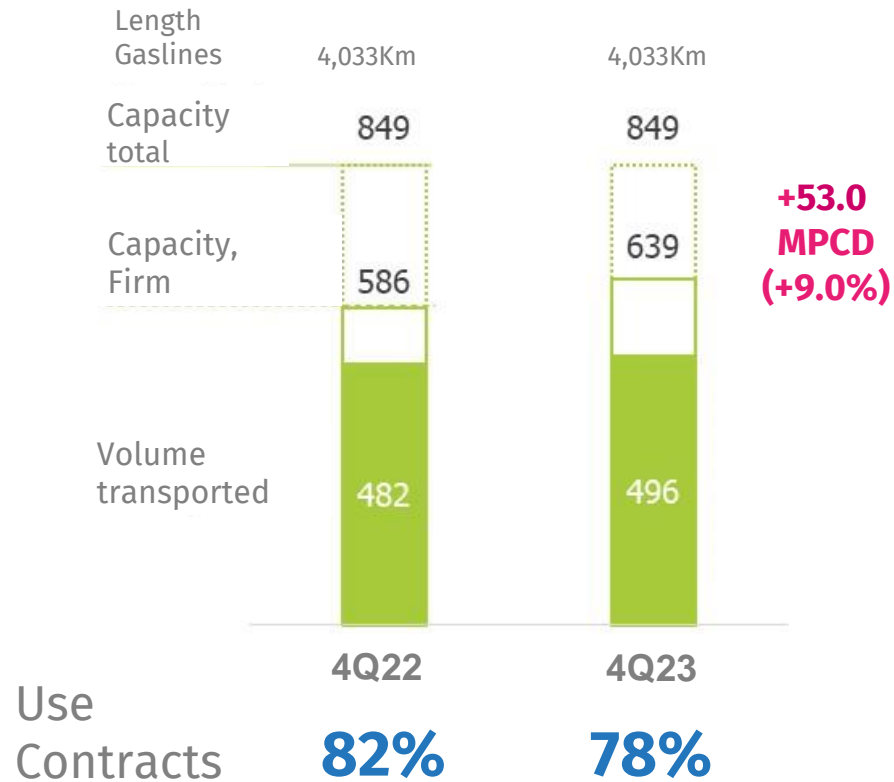
We continue to strengthen the teams by leveraging the results of the Transformation process

# 2 Operational, Commercial and Financial Performance

Commercial management based on additional contracting and use of diversion of contractual routes

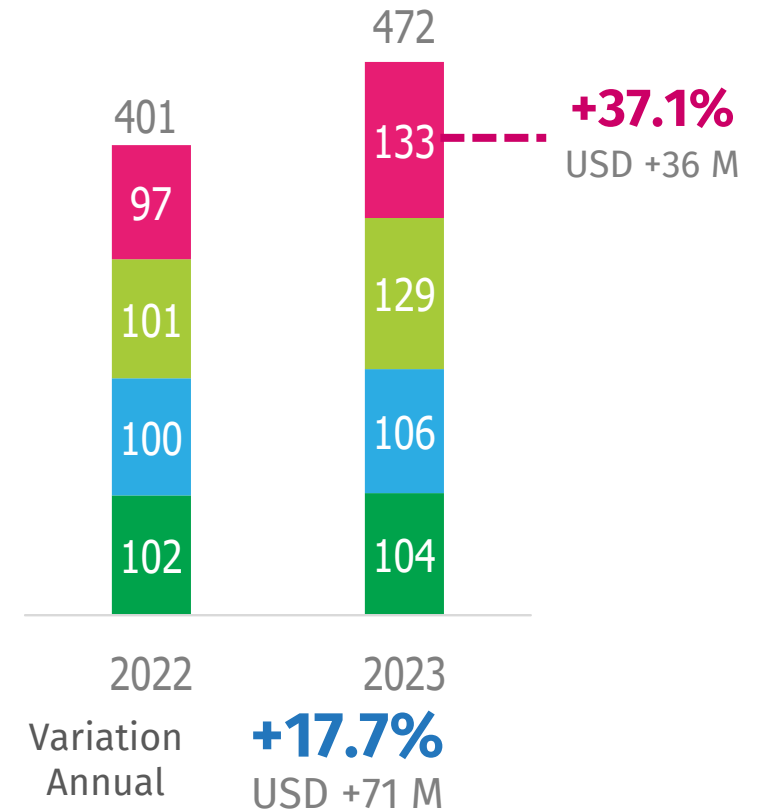


## Operational MPCD



4Q  
3Q  
2Q  
1Q

## Income USD M



**2022-2023**

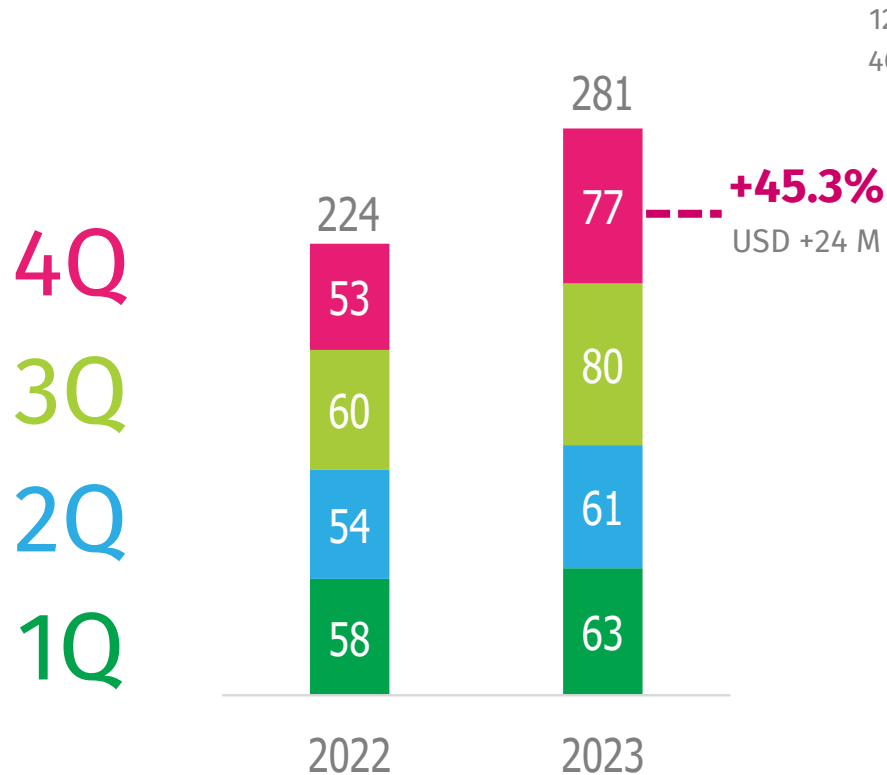
# 2 | Operational, Commercial and Financial Performance

Positive operating results, financial income from bond repurchases and increase of interest rates, and net income affected by financial expenses and foreign exchange differences.



## Operational Profit

USD M

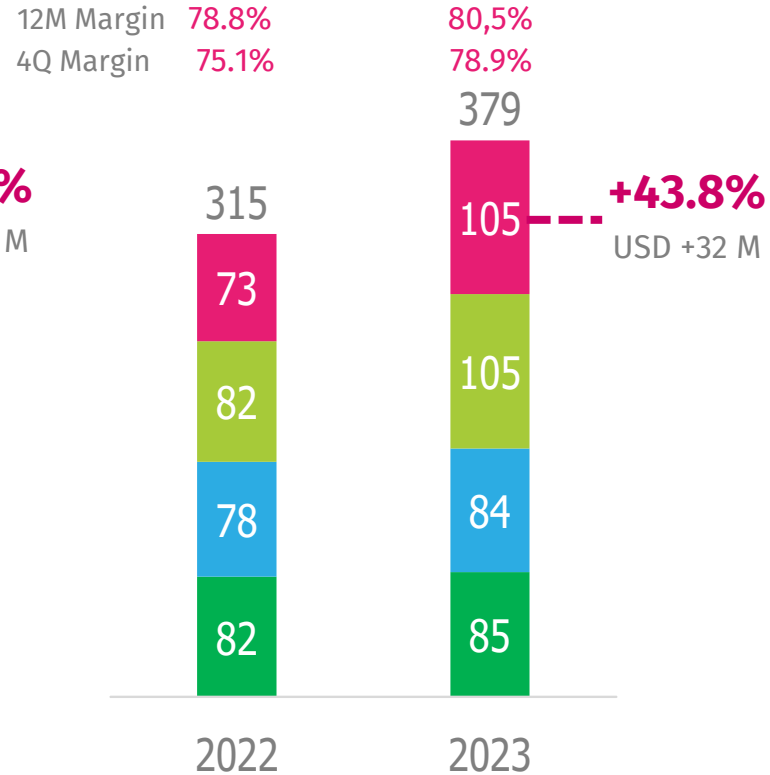


Variation  
2022-2023

**+25.4%**  
USD +57 M

## EBITDA

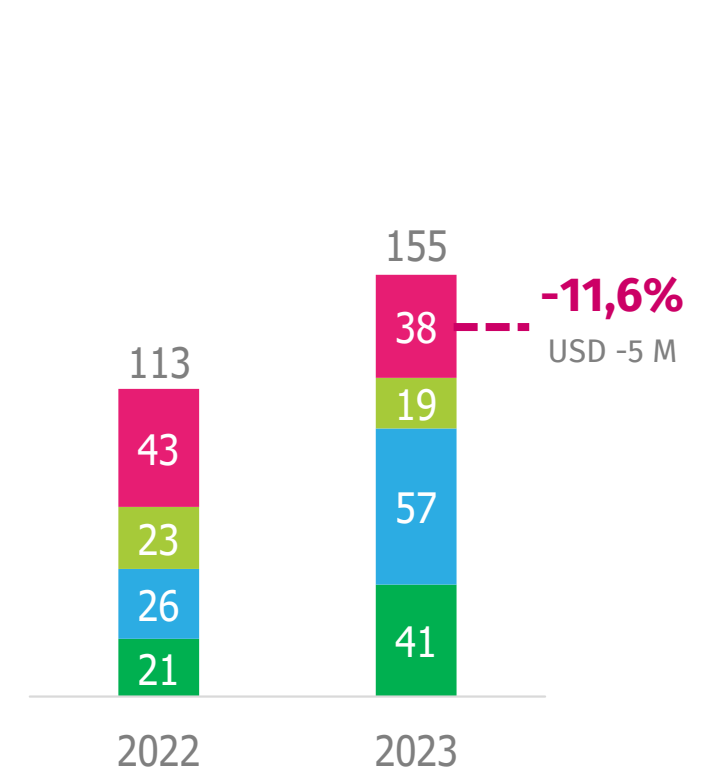
USD M



**+20.3%**  
USD +64 M

## Net Profit

USD M



**+37.2%**  
USD +42 M

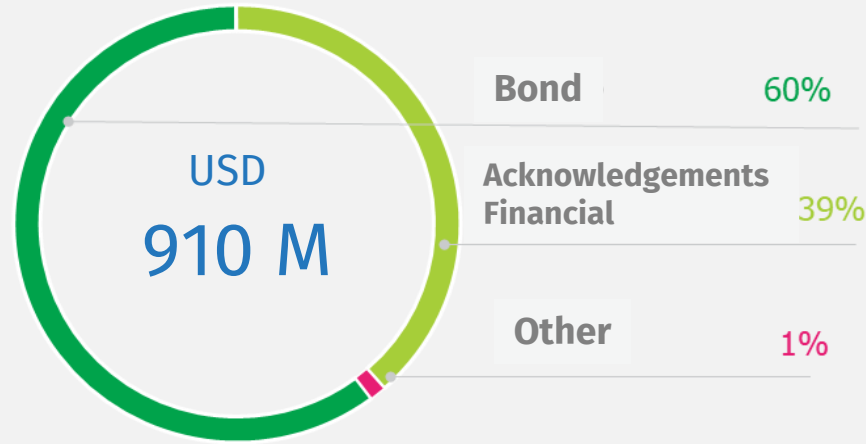
# 2 Operational, Commercial and Financial Performance

Partial repurchase of bond improved debt profile and indicators



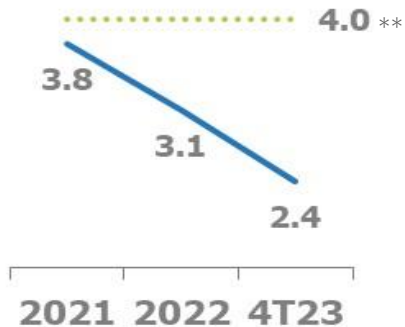
## Debt

Dec-23

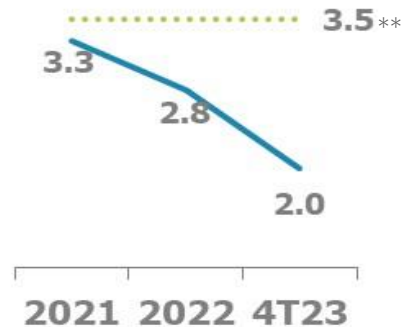


**Rate 17.3%**  
Weighted-average cost of debt in COP

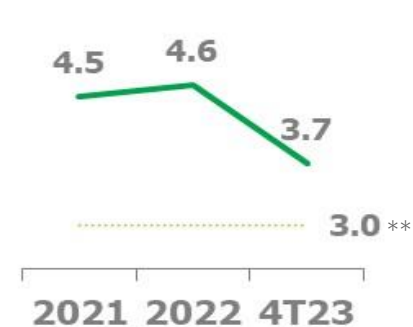
Gross Debt/EBITDA UDM\*



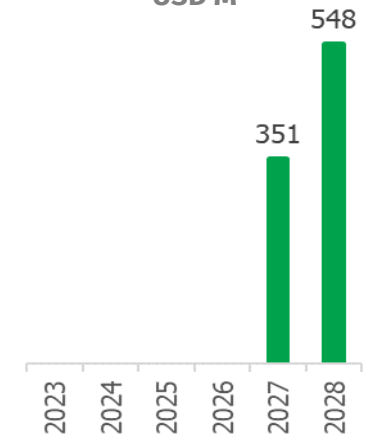
Net Debt/EBITDA UDM\*



EBITDA UDM\* / Financial Expenses



Maturity Profile  
USD M



\* Last twelve months \*\* Debt limits consistent with TGI's revenue profile and risk rating



# 4

## Outlook and Strategic Focus 2024



**GAS TRANSPORTED WHICH  
GENERATES**

**WELFARE FOR  
LOTS OF  
PEOPLE**

**FOR  
EACH**

**\$100**

**RECEIVED:**

**\$7**

**FOR COLLABORATORS**

**\$18**

**FOR SUPPLIERS FOR THEIR  
SERVICES**

**\$13**

**INVESTMENT TO IMPROVE GAS  
TRANSPORTATION**

**\$31**

**TO BANKERS AND  
INVESTORS  
FOR THEIR  
LOANS**

**\$5**

**TO THE  
GOVERNMENT  
FOR TAXES AND  
CONTRIBUTIONS**

**\$26**

**TO THE DISTRICT  
OF BOGOTA AND  
THE FUTURE  
PENSIONERS.**

Projected figures with cash flow

# 4 Outlook and Strategic Focus 2024



Protect the current business conditions, ensuring the definitive modification of Resolution CREG 175 and the publication of the New Rates Dossier.



## Secure contract renewal and new Midstream business:

- Renewal of gas transportation contracts USD 174 M
- Development of 2 IPATs projects.
- New Midstream businesses.
- 20 MPCD Incremental Volume



## Strengthen Digitization Efforts & Analytics and Innovation

- Implementation of 8 Pilots or Initiatives.
- External capital obtained for R&D&I projects for a minimum of USD 250-700 K.



## Our vision of sustainable business will help as remain as an industry benchmark:

- Emissions reduction of 16% with respect to baseline (36,478 Tons CO2)
- 800 new beneficiaries in Rural Gasification projects.
- 30% of the infrastructure with climate change adaptation plans.
- 13 sites certified Energy Efficiency Management System and 10 sites certified Carbon Neutral.
- Implementation of Circular Economy Strategy.



## Sustaining and achieving new efficiencies:

- Implement new efficiencies for USD 4 M
- Operating Costs worth 21,90 KUSD/Km.
- Investments in Major Maintenance Strategy for USD 12.2 M..

## Guidance for 2024

Income  
USD M

**504 - 516**

Ebitda  
USD M

**380 - 396**

Ebitda Margin 75%-77%

Cash  
USD M

**147**

Gross Leverage

**2.1X**

Capex  
USD M

**49-58**

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