



PROMIGAS

2021

GOOD
ENERGY
ALWAYS





More than 45 years connecting markets to sources of energy and generating value through environmentally-responsible management and by being committed to sustainable development. That is how we have led the natural gas revolution in Colombia and Peru.

Today, we guarantee energy security in Colombia and are growing continuously so that we can take good energy to more places. We have taken on board innovation and energy diversification by investing in the development of renewable energy business as key to transforming the industry and the way to ensure a suitable management of resources in favor of human and environmental wellbeing.



PROMIGAS

OUR BUSINESSES

We develop energy markets directly and through our strategic transportation and distribution business groups, with passion and in an efficient and responsible manner.



Natural gas transportation

Promigas
Promioriente
Transmetano
Transoccidente

Gas pipeline:
3,292 km

Capacity:
1,153 MMSCFD

Availability:
99.8%

48%
of Colombia
market

21
companies



LNG

Sociedad
Portuaria
El Cayao
(SPEC)

Regasification
capacity:
400 MMSCFD

Storage
capacity:
170,000 m³

Capacity to meet 60% of natural gas
thermal generation demand in
Colombia(2,000 MW)

3,300
employees,
Colombia,
Peru



Integrated solutions for industry and electricity generation

Promisol
Zonagen

48 MW
of electricity
generated

2,756 km
of gas pipeline
maintained

108 MMSCFD
of natural
gas treated

Availability:
99.7%



AAA

for issues in
Colombia

BBB-

at
international
level

Baa3

by
Moody's.



Sustainability Yearbook
Member 2021
S&P Global



And we continue to look for new business opportunities that will enable us to be the best energy company in the region, one that is diversified in terms of types of energy and geography.



Natural gas distribution

38% of market in Colombia and
93% in Peru

- Surtigas
- GdO
- Gases del Caribe
- Gases de La Guajira
- Efigas
- Cálidda
- Quavii

Accumulated users: **5 million** | Gas sales: **10,849 Mm³**



Electricity distribution



Non-banking financing

Compañía Energética de Occidente (CEO)

Customers: **409,393** | Towns served: **38**
Electricity demand: **996 GWh**

Brilla

Number of users: **364 million**
Loans placed: **353.666**



Shared services

9 processes
14 companies served

Enlace Versa

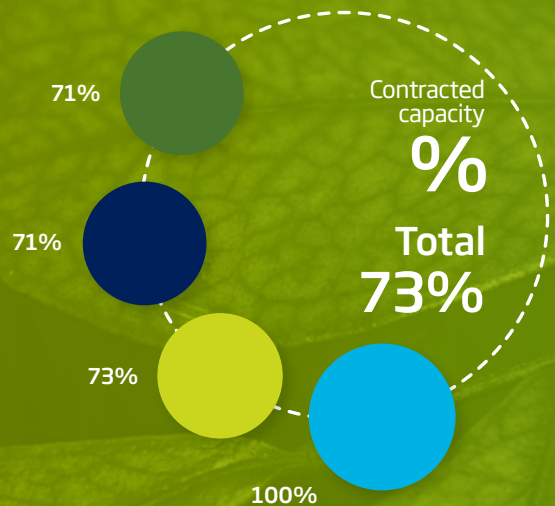
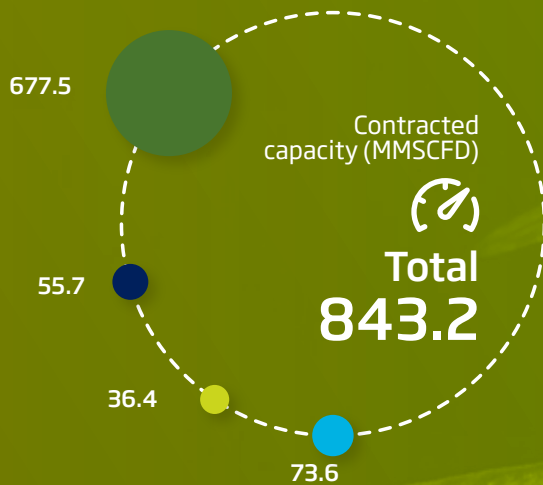
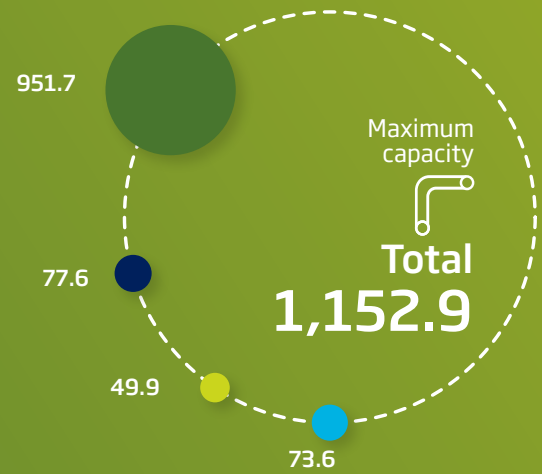
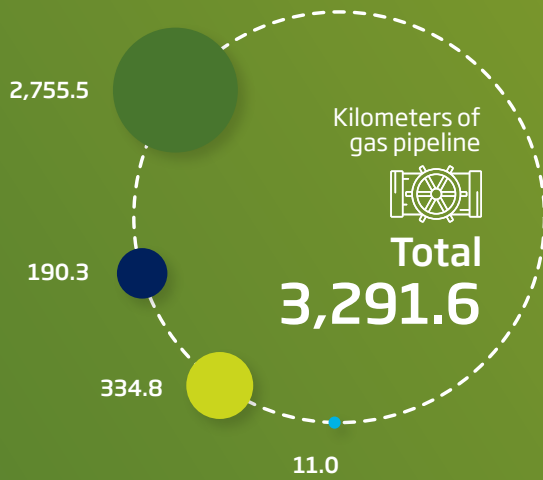
As a result of concentrating our energy transformation efforts on more environment-friendly business initiatives, we now have an installed capacity of 15.5 MW of photovoltaic solar energy.

We have encouraged the use of vehicular natural gas, VNG, for more than 30 years, with positive economic and environmental results. This fuel is cheaper and less polluting than traditional ones, and can be used in every type of vehicle: light, utilitarian, cargo, and in mass transportation systems.



NATURAL GAS TRANSMISSION

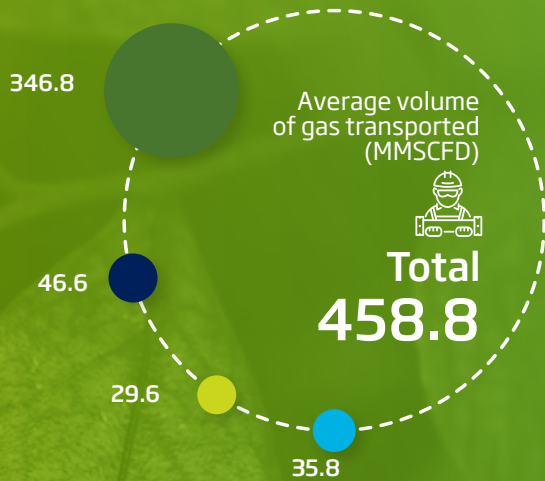
Natural gas transporters



3,292 km
of gas pipelines with
1,153 MMSCFD capacity

48%
of all gas
transported in Colombia

99.8%
continuity
index





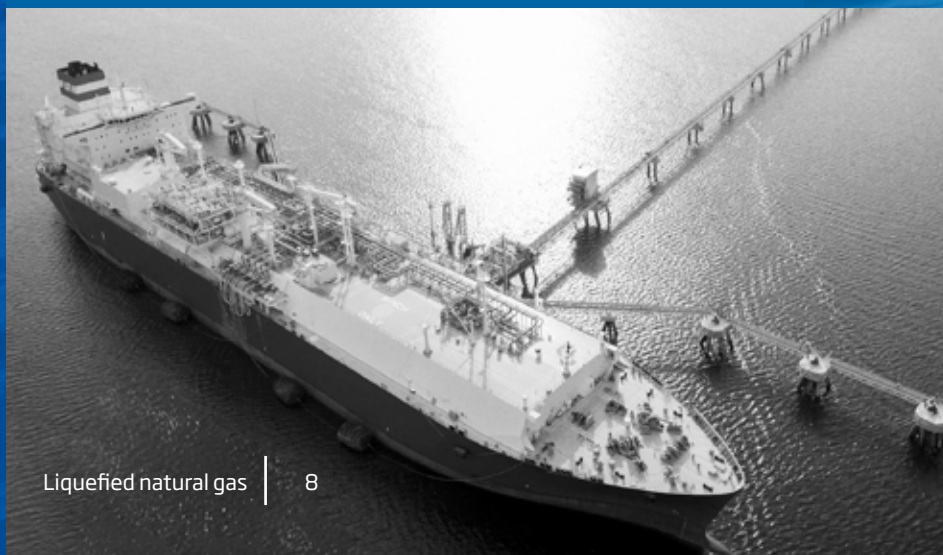
LIQUEFIED NATURAL GAS (LNG)



Sociedad
Portuaria
El Cayao

*SPEC LNG is Colombia's
only LNG Terminal allowing
the connection with LNG
international sources
strengthening National's
energy system reliability*

.....



Our infrastructure allows Colombia to competitively access international LNG markets due to its strategic location



HÖEGH GRACE
floating storage and regasification unit (FSRU)



Pier
733 m
long



Onshore natural gas measurement and filtering station

LNG storage capacity:
170,000 m³



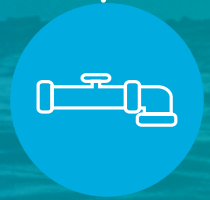
Capacity of regasification
400 Mpcd



Capacity to meet
20%
of Colombia's electricity demand (2,000 MW).



18" inch gas pipeline 9.2 km
long linking our port terminal to Colombia's National Natural Gas Transportation System



SPEC LNG has installed capacity to load and unload LNG to small-large vessels



INTEGRATED SOLUTIONS FOR INDUSTRY AND ENERGY GENERATION

Promisol: Human talent,
technology and experience



Dehydration
capacity (millions of
cubic feet
per day)

35

Average
dehydration
volume (millions of
cubic feet per day)

997

Compression
capacity (hp)

10,000

Average hours
available per month

732

Generatio
capacity (MW)

47

We create value from reserves. We make the incorporation of hydrocarbons into the market under the necessary conditions viable **by lowering costs, reducing risks, and improving productivity.**



Upstream connection: •

We build, operate and maintain hydrocarbon transportation lines (gas and refined products)

Services for early production: •

We provide, install, operate and maintain infrastructure for upstream connections, natural gas compression, and natural gas conditioning

On-site generation (self-generation/cogeneration) for industries •

O&M generation/cogeneration plants. Distributed generation projects, or on-site at hydrocarbon production fields •

Distributed generation for industrial customers in Barranquilla and La Cayena free zones •

Confiabilidad: **99.4%** availability •

We carry out engineering, construction and maintenance for gas pipelines, dehydration plants, compression, and flow lines •

We provide technical, advisory and work supervision services •

Environment-friendly new technologies and efficient alternatives at lower cost •

High HSE standards: **0 accidents** •

Highly qualified team with project management, Project Manager (PMP) with Project Management Institute training •



NATURAL GAS TREATMENT

Services from wellhead to gas pipeline



ENERGY SOLUTIONS

Generation and cogeneration



O&M HYDROCARBON INFRASTRUCTURE

Gas pipelines, interconnection lines



NATURAL GAS DISTRIBUTION



38%
of Colombian
market

93%
of Peruvian
market

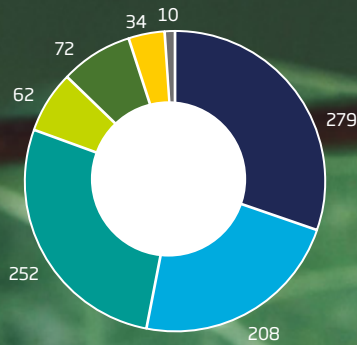


 **5 million**
users



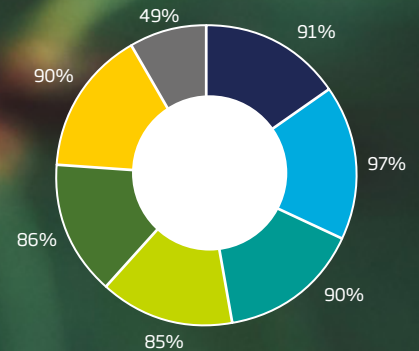
Towns served

Total: 917



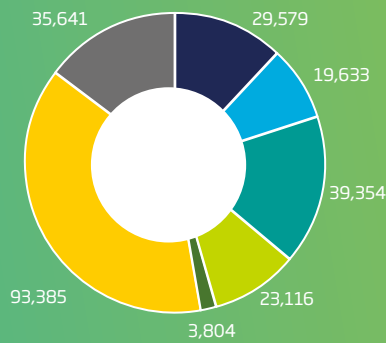
Effective coverage (%)

Total: 89%



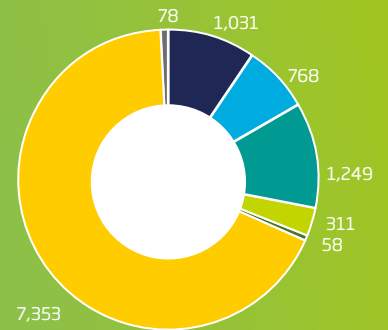
Users in the period

Total: 244,512



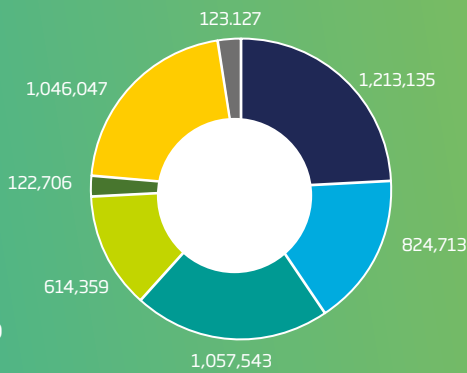
Natural gas sales (MMm³)

Total: 10,849



Accumulated users

Total: 5,001,630



Effective Promigas share

GdO	94%
Surtigas	99%
Caribe	31%
Efigas	76,27%*
Guajira	86,94%*
Cálidda	40%
Quavii	99,9%



* Corresponds to the Gases del Caribe and Efigas share in Gases de la Guajira.



ELECTRICITY DISTRIBUTION AND MARKETING



Towns served

38



Users in the period

13,542



Accumulated users

409,393



Electricity sales (GWh)

634



Demand of Energy (GWh)

996



Effective Promigas share

49 %



NON BANK FINANCIAL MODEL

Brilla

Brilla commenced operations in 2007, when distribution companies in the Promigas portfolio began, at the request of Promigas itself, to grant approved credit quotas to users with a good payment record for their natural gas service connection.

The program has been noted for its low overdue portfolio index, which ratifies user responsibility and loyalty in response to the company's vote of confidence.

**3.7
million**

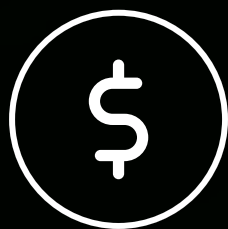
Accumulated
beneficiaries



**353,666
million**

Loans
placed





FINANCIAL STATEMENTS (CONSOLIDATED)

 GEN
 TRANSPORTATION
 GEN
 DISTRIBUTION

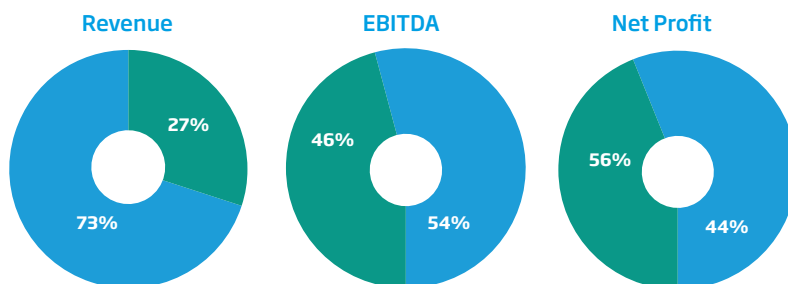
GENERAL BALANCE SHEET (Figures in millions of USD ⁽¹⁾)

	2016	2017	2018	2019	2020
Assets	3,088	3,229	3,208	3,587	3,837
Liabilities	2,103	2,163	2,151	2,417	2,506
Equity	985	1,065	1,057	1,170	1,330

PROFIT AND LOSS STATEMENT (Figures in millions of USD ⁽²⁾)

	2016	2017	2018	2019	2020
Revenue	1,087	1,145	1,206	1,204	1,292
Costs	682	693	723	757	745
Operating expenses	96	101	114	122	109
EBITDA ⁽³⁾	358	408	433	420	516
Net profit	202	219	245	247	308

2020 indicators by business



(1) Consolidated IFRS figures stated in dollars at the final representative market exchange rate each year.

(2) Consolidated IFRS figures stated in dollars at the average representative market exchange rate each year.

(3) EBITDA: Operating profit + depreciations and amortizations + provisions.

NOTE: Revenue and NIIF EBITDA include revenue from financial assets and participation method, and exclude concession construction cost and revenue.

GEN Distribution financial figures do not include companies that do not consolidate: Gases del Caribe (Efigas and Gases de La Guajira) and Cálida.



OUR VALUE PROPOSAL

Promigas is a long-term investor with a high level of social awareness and a strategic partner for developing energy markets.



Leader in the Colombian Liquefied Natural Gas (LNG) business.

The terminal belonging to SPEC, one of our controlled companies, is in a privileged position for supplying LNG on a small and medium scale, thus enabling it to serve regional markets.



Coordinated strategies with government to increase gas service coverage (mass use, cross-subsidies, regional gas pipelines, etc.).



Development of new market niches in order to increase natural gas service coverage.



Natural gas regulation experience.



Pioneers of vehicular natural gas (VNG) in Colombia.



Development of energy efficiency programs in conjunction with industry, in order to improve competitiveness.



Development of business at the base of the pyramid. For example, non-banking financing (Brilla) for people without access to banks.



Innovation in order to strengthen our value proposal to customers and other interest groups by developing businesses that enable us to reach our targets and contribute to the transition toward a decarbonized economy.



Experience in administering users in adverse economic conditions, with a consequent improvement in living conditions in marginal settlements.



Sustainability: operations enshrined in the best environmental, social and corporate governance practices.



COMPREHENSIVE MANAGEMENT WITH A SUSTAINABLE APPROACH

We foster sustainable development based on ethics and transparency, and we treat opportunities and risks deriving from our management in a responsible and effective manner. We view sustainability with a transverse approach in our efforts to generate lasting economic, social and environmental value for interested parties.

We as an organization are committed to performing actions which seek to contribute to the United Nations Sustainable Development Goals. Our business activities thus contribute to initiatives 8, Decent Work and Economic Growth, and 9, Innovation and Infrastructure.

Our consolidated social investment in 2020 was **USD 8.7 million.**

More than **400,000** direct beneficiaries in 400 communities with 134 social programs implemented.

FOR OUR VOLUNTARY WORK, WE HAVE DETERMINED THAT THE FOLLOWING SDG ARE A PRIORITY FOR PROMIGAS.



Promigas is working to develop more efficient energy markets, with a view to increasing the share of the national market that these enjoy.

15.7 MW installed capacity for solar energy generation



We are committed to implementing measures that will mitigate risks associated with climate change. We have set in motion a plan consisting of measuring greenhouse gas emissions in order to reduce our carbon footprint, and

we have guaranteed a 10% reduction by 2025.



Promigas has promoted the first Green Route for urban public transportation in cities in its area of influence, and it encourages the conversion to natural gas of heavy cargo vehicles, in order to have cities with better air.



We establish measures for minimizing areas that are to be intervened and for restoring biodiversity through reforestation activities.

Environment investment of **USD 2 million**

New gas pipelines constructed with **20% fewer trees affected** and routes chosen that do not come into any protected area category.



INNOVATION

We innovate in order to build a sustainable future, one where our energy services play a vital role. Through excellence and entrepreneurship, we seek to decarbonize our business, to operate in a safer and more efficient way and to diversify our portfolio of services.

Innovation enables us to reinforce our value proposal and to diversify and enrich our portfolio of products and services on the energy market, in order to contribute to the economic growth, sustainability and overall development of our customers, our environment, and our organization.

Typically, innovation actions are based around digital technologies and data sciences. Our focus:



Innovation in products: distributed generation and green gases.



Innovation in business processes: flexibility, efficiency and safety.

I+D+i investment:

0.9% of revenue



Colombia's Ministry of Science, Technology and Innovation recognized the fact that we are the first gas sector company in the country to have a specialist RDI unit.



ABOUT COLOMBIA

Number of inhabitants (millions):

50,372,424

GDP

\$272 USD

Per capita GDP

\$5,338 USD

GDP growth

-6.8%

Total exports

31.056 USD FOB

Total imports

41.185 USD FOB

Current legal minimum salary

237 USD (877.802 COP/\$3.693,36)

Inflation

1.61%

Unemployment (average):

15.9%

Exchange rate (annual average per dollar)

\$3,693.36

Fixed-term deposit

1.89%

Average fixed-term deposit

3.41%

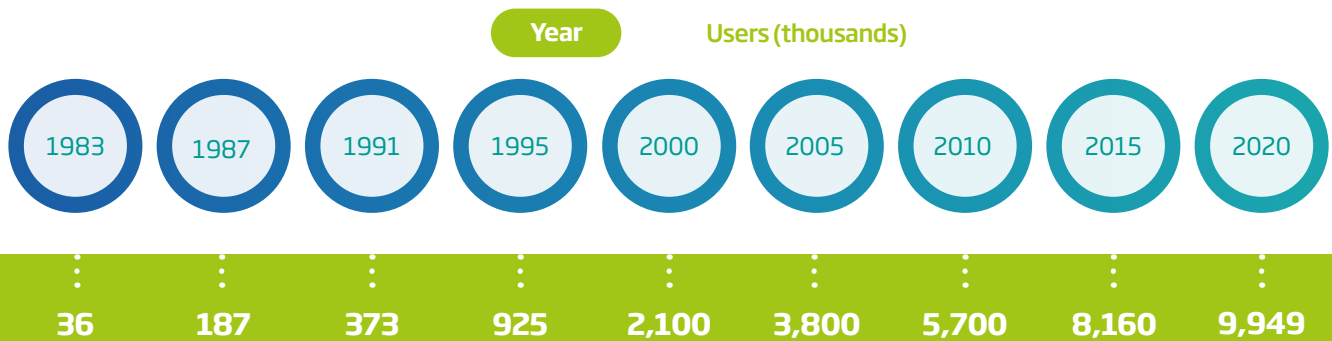
Sources: DANE, Banco de la República, FocusEconomics.



THE NATURAL GAS SECTOR IN COLOMBIA

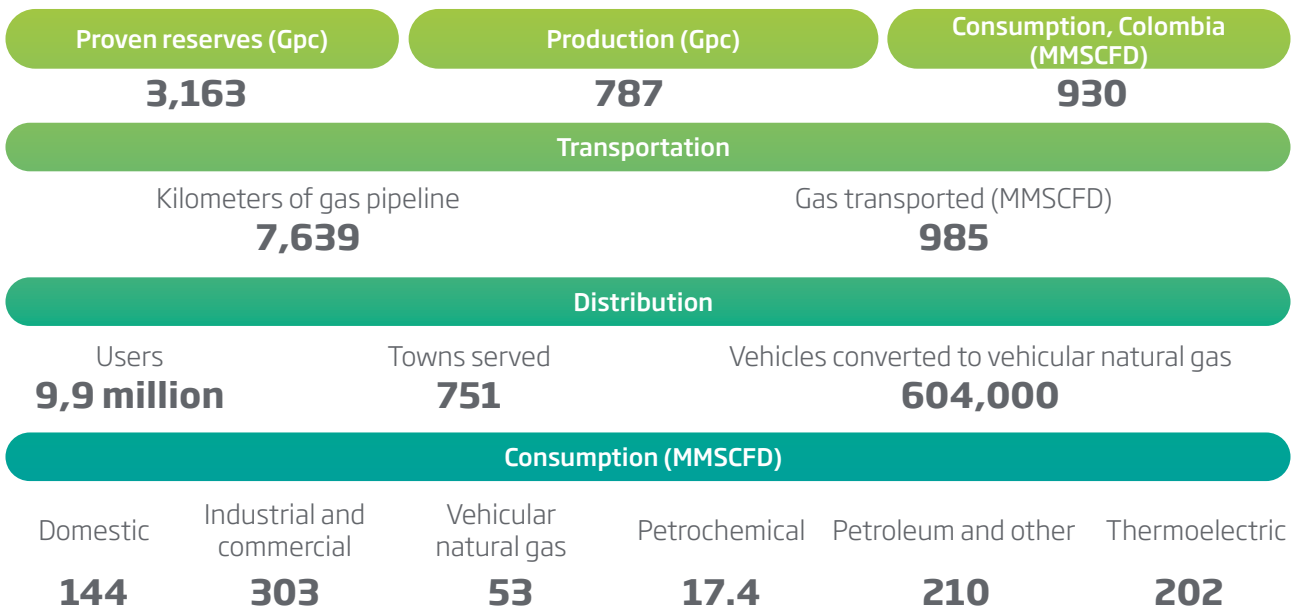
The mass use of natural gas in Colombia dates back to the 1980s and was the result of a joint initiative between government and private enterprise. Continued work since then has made gas the preferred fuel in the country's homes and industries.

Promigas has been present throughout this successful process and has participated actively in it and being part of the social revolution that the mass use of this fuel has brought about has brought it great satisfaction.



Natural gas continues to be an extremely important fuel in Colombia's energy basket, especially in the industrial and domestic sectors, where consumption remains stable.

It is also used by thermal-electricity generators to meet peaks in demand.



Source: Natural Gas Sector Report, 2020 - figures 2019.



ENERGY IS CONNECTION,
CONNECTION IS PROGRESS

2021

