

***Promigas S.A. E.S.P. and Subsidiaries
Condensed Consolidated Interim Financial Statements
For the Quarter Ended June 30, 2021
With the Independent Auditor's Report***

Promigas S.A. E.S.P. And Subsidiaries
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(In thousands of Colombian Pesos)

	NOTE	June 2021	December 2020
ASSETS			
CURRENT ASSET:			
Cash and cash equivalents	5	\$ 419.669.076	420.470.760
Financial assets at fair value	6	320.869.235	378.807.179
Financial assets at amortized cost	7	1.246.217.279	1.103.769.731
Inventories	8	102.491.660	90.549.823
Prepayments or tax credit balances		27.238.395	21.163.843
Other assets	9	219.914.424	197.421.865
TOTAL CURRENT ASSET		<u>2.336.400.069</u>	<u>2.212.183.201</u>
Non current held-for-sale assets		1.069.607	1.069.607
TOTAL CURRENT ASSET HELD-FOR-SALE		<u>2.337.469.676</u>	<u>2.213.252.808</u>
LONG-TERM ASSETS:			
Financial assets at fair value	6	3.121.250.619	2.976.510.036
Financial assets at amortized cost	7	1.704.556.999	1.600.765.439
Investment in associates	10	778.075.165	759.989.369
Property, Plant, Pipeline and Equipment:	11	1.243.981.933	1.239.625.851
Intangible Assets:			
Concessions Arrangemets Rights	12	4.281.573.249	3.835.408.575
Goodwill	4	149.437.149	151.757.293
Other intangible assets	13	107.178.958	98.577.298
Total intangible assets		<u>4.538.189.356</u>	<u>4.085.743.166</u>
Right-of-use	14	135.394.574	136.611.276
Investment properties		8.354.981	8.177.931
Deferred tax assets, net	15	59.395.248	60.225.121
Other assets	9	123.871.434	89.002.877
TOTAL LONG-TERM ASSETS		<u>11.713.070.309</u>	<u>10.956.651.066</u>
TOTAL ASSETS		<u>\$ 14.050.539.985</u>	<u>13.169.903.874</u>
LIABILITIES			
CURRENT LIABILITY:			
Financial obligations	16	\$ 373.122.514	353.793.678
Outstanding bonds	17	160.736.500	29.775.925
Accounts payable	18	875.078.278	578.728.089
Employee benefits	19	22.738.453	22.716.562
Income tax payable	15	31.538.754	63.691.046
Other liabilities	20	165.949.282	148.247.385
TOTAL CURRENT LIABILITIES		<u>1.629.163.781</u>	<u>1.196.952.685</u>
LONG-TERM LIABILITIES:			
Financial obligations	16	2.054.332.050	1.870.376.781
Outstanding bonds	17	4.573.048.358	4.521.253.738
Accounts payable	18	27.571.562	27.528.971
Employee benefits	19	4.529.189	4.651.292
Provisions	21	311.888.920	282.006.051
Deferred tax liability, net	15	759.842.365	700.397.289
TOTAL LONG TERM LIABILITIES		<u>7.731.212.444</u>	<u>7.406.214.122</u>
TOTAL LIABILITIES		<u>9.360.376.225</u>	<u>8.603.166.807</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Subscribed and paid-in capital	22	113.491.861	113.491.861
Share underwriting premium		322.822.817	322.822.817
Reserves		1.104.531.324	919.938.627
Retained earnings		2.695.497.052	2.799.754.081
Other equity transactions		(11.555.081)	(11.556.845)
Other Comprehensive Income		202.518.022	163.229.800
TOTAL SHAREHOLDERS' EQUITY		<u>4.427.305.995</u>	<u>4.307.680.341</u>
NON-CONTROLLING INTEREST	23	262.857.765	259.056.726
TOTAL EQUITY		<u>4.690.163.760</u>	<u>4.566.737.067</u>
TOTAL LIABILITIES AND EQUITY		<u>\$ 14.050.539.985</u>	<u>13.169.903.874</u>

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

Promigas S.A. E.S.P.AND SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

(Expressed in thousands of Colombian pesos, except the net income per share which is expressed in Colombian pesos)

	Note	For the six-month period ended on		For the three-month period ended on	
		June 2021	June 2020	June 2021	June 2020
Revenue	24	\$ 2.023.635.225	1.942.118.595	1.016.154.982	919.899.760
Revenues from national concession contracts		54.761.760	133.324.818	35.803.764	31.897.258
Revenues from foreign concession contracts		<u>338.821.103</u>	<u>91.627.786</u>	<u>251.318.442</u>	<u>12.927.835</u>
Total Revenues		<u>2.417.218.088</u>	<u>2.167.071.199</u>	<u>1.303.277.188</u>	<u>964.724.853</u>
Cost of Sales	25	(1.292.785.074)	(1.244.097.986)	(650.051.490)	(596.502.782)
Cost of construction of national concession contracts		(48.560.628)	(120.235.851)	(32.467.916)	(26.287.714)
Cost of construction of concession contracts abroad		<u>(189.268.004)</u>	<u>(91.627.786)</u>	<u>(138.126.313)</u>	<u>(12.927.835)</u>
Total Cost of Sales		<u>(1.530.613.706)</u>	<u>(1.455.961.623)</u>	<u>(820.645.719)</u>	<u>(635.718.331)</u>
GROSS INCOME		886.604.382	711.109.576	482.631.469	329.006.522
Administrative and sales expenses	26	(188.558.548)	(197.698.953)	(101.274.871)	(105.674.700)
Interest in earnings of subsidiaries	10				
National Associates		58.038.295	56.189.139	30.559.525	22.370.629
Foreign Associates		<u>64.431.290</u>	<u>48.661.560</u>	<u>35.932.488</u>	<u>17.348.447</u>
Total Interest in earnings of associates		122.469.585	104.850.699	66.492.013	39.719.076
Dividends received		456.146	879.728	-	-
Others, net	27	<u>19.593.781</u>	<u>(9.601.456)</u>	<u>4.305.097</u>	<u>(9.368.977)</u>
OPERATING INCOME		840.565.346	609.539.594	452.153.708	253.681.921
Finance Income	28	162.330.616	150.264.660	71.375.971	70.172.960
Finance costs	29	(178.258.400)	(197.240.516)	(86.309.800)	(106.070.452)
Exchange difference		<u>(156.439)</u>	<u>(2.247.445)</u>	<u>592.108</u>	<u>(180.137)</u>
EARNINGS BEFORE INCOME TAX		824.481.123	560.316.293	437.811.987	217.604.292
Income tax	15	<u>(200.533.575)</u>	<u>(112.341.729)</u>	<u>(98.542.337)</u>	<u>(50.676.214)</u>
NET INCOME		<u>\$ 623.947.548</u>	<u>447.974.564</u>	<u>339.269.650</u>	<u>166.928.078</u>
INCOME ATTRIBUTABLE TO:					
Company shareholders		\$ 597.600.627	421.517.221	326.637.788	157.240.043
Non-controlling interest	23	<u>26.346.921</u>	<u>26.457.343</u>	<u>12.631.862</u>	<u>9.688.035</u>
		<u>\$ 623.947.548</u>	<u>447.974.564</u>	<u>339.269.650</u>	<u>166.928.078</u>
NET INCOME PER SHARE		<u>\$ 526,59</u>	<u>371,43</u>	<u>287,83</u>	<u>138,56</u>

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

Promigas S.A. E.S.P. And Subsidiaries
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OTHER COMPREHENSIVE INCOME
(In thousands of Colombian Pesos)

	Notes	For the six-month period ended on:		For the three-month period ended on:	
		June 2021	June 2020	June 2021	June 2020
NET INCOME		\$ 623.947.548	447.974.564	339.269.650	166.928.078
OTHER COMPREHENSIVE INCOME					
<i>Other comprehensive income not reclassified through profit or loss</i>					
Fair value of equity instruments		1.192.087	4.460.103	-	-
OCI for revaluation of investment properties		(909.459)	861.355	-	-
Goodwill	15	<u>(28.516)</u>	<u>(532.096)</u>	-	-
Other intangible assets		254.112	4.789.362	-	-
<i>Other comprehensive income reclassified through profit or loss</i>					
Currency conversion adjustment		59.644.787	35.507.037	16.625.945	(11.852.040)
Hedging transactions		(69.476.054)	(109.661.556)	(14.737.282)	85.773.136
Deferred Tax	15	<u>20.022.799</u>	<u>31.845.253</u>	<u>4.535.551</u>	<u>(26.304.719)</u>
		10.191.532	(42.309.266)	6.424.214	47.616.377
OTHER COMPREHENSIVE INCOME IN ASSOCIATES					
<i>Other comprehensive income reclassified through profit or loss</i>					
Currency conversion adjustment		41.320.829	72.744.698	8.570.554	(33.917.785)
Hedging transactions	10	<u>(2.840.597)</u>	<u>3.726.279</u>	<u>(3.570.212)</u>	<u>1.983.659</u>
		38.480.232	76.470.977	5.000.342	(31.934.126)
TOTAL OTHER COMPREHENSIVE INCOME		<u>48.925.876</u>	<u>38.951.073</u>	<u>11.424.556</u>	<u>15.682.251</u>
TOTAL INCOME AND OTHER COMPREHENSIVE INCOME		<u>\$ 672.873.424</u>	<u>486.925.637</u>	<u>350.694.206</u>	<u>182.610.329</u>
INCOME AND OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Company shareholders		\$ 636.888.849	448.534.632	335.795.137	179.097.464
Non-controlling interest		35.984.575	38.391.005	14.899.069	3.512.865
		<u>\$ 672.873.424</u>	<u>486.925.637</u>	<u>350.694.206</u>	<u>182.610.329</u>

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

Promigas S.A. E.S.P. And Subsidiaries
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(Expressed in thousands of Colombian pesos)

For the periods ended on:	Notes	Subscribed and paid-in capital	Share underwriting premium	Reserves	Cumulative Results*			Other equity transactions	Owner Comprehensive Income	Total equity attributable to the company's	Non-controlling interests	Total Equity	
					Previous Year Results	First-time adoption effect	Total						
Balances as of December 2019		\$ 113.491.861	322.822.817	713.490.402	(1.570.706)	811.347.450	1.505.786.626	2.315.563.370	(11.556.485)	139.284.021	3.593.095.986	241.273.930	3.834.369.916
Creation of reserves	22	-	-	206.448.225	(206.448.225)	-	-	(206.448.225)	-	-	-	-	-
Declared cash dividends	22	-	-	-	(440.321.041)	-	-	(440.321.041)	-	-	(440.321.041)	(33.640.202)	(473.961.243)
Withholding tax on dividends declared		-	-	-	196.919	-	-	196.919	-	-	196.919	1	196.920
Transfers	22	-	-	-	811.347.450	(811.347.450)	-	-	-	-	-	-	-
Income and other comprehensive income		-	-	-	-	421.517.221	-	421.517.221	-	27.017.411	448.534.632	38.391.005	486.925.637
Balances as of June 2020		\$ 113.491.861	322.822.817	919.938.627	163.204.397	421.517.221	1.505.786.626	2.090.508.244	(11.556.485)	166.301.432	3.601.506.496	246.024.734	3.847.531.230
Balances as of December 2020		\$ 113.491.861	322.822.817	919.938.627	156.522.903	1.137.444.552	1.505.786.626	2.799.754.081	(11.556.845)	163.229.800	4.307.680.341	259.056.726	4.566.737.067
Interest acquisition in non-controlling interest		-	-	-	-	-	-	-	1.764	-	1.764	(1.743)	21
Creation of reserves	22	-	-	184.592.697	(184.592.697)	-	-	(184.592.697)	-	-	-	-	-
Declared cash dividends	22	-	-	-	(524.299.796)	-	-	(524.299.796)	-	-	(524.299.796)	(32.181.792)	(556.481.588)
Withholding tax on dividends declared		-	-	-	(3.256.400)	-	-	(3.256.400)	-	-	(3.256.400)	-	(3.256.400)
Withholdings for dividends transfer to shareholders	22	-	-	-	10.291.237	-	-	10.291.237	-	-	10.291.237	-	10.291.237
Transfers		-	-	-	1.137.444.552	(1.137.444.552)	-	-	-	-	-	-	-
Income and other comprehensive income		-	-	-	-	597.600.627	-	597.600.627	-	39.288.222	636.888.849	35.984.575	672.873.424
Balances as of June 2021		\$ 113.491.861	322.822.817	1.104.531.324	592.109.799	597.600.627	1.505.786.626	2.695.497.052	(11.555.081)	202.518.022	4.427.305.995	262.857.765	4.690.163.760

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

Promigas S.A. E.S.P. And Subsidiaries
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(Expressed in thousands of Colombian pesos)

	Notes	June 2021	June 2020
Cash flows from operating activities:			
Net income		\$ 623.947.548	447.974.564
Adjustments to reconcile net income with net cash provided by operating activities:			
Depreciation	11, 14, 25, 26	22.852.999	22.796.518
Amortization of intangibles	12, 13, 14, 25, 26	122.312.550	96.028.585
Accrued interest	16, 17, 18, 21	182.710.835	204.920.416
Accrued yield	6, 7, 28	(183.848.248)	(201.974.538)
Update financial assets	6, 28	(144.457.956)	(132.957.912)
Income by equity method	10	(122.469.585)	(104.850.699)
Hedging transactions		(20.774.673)	(437.588)
Impairment of			
Inventories	8	83.922	612.796
Accounts receivable	7	23.603.780	33.083.252
Property, pipelines, plant and equipment	11, 25	-	1.964
Concessions	12, 25	239.186	2.295.790
Accrued provisions	21	10.517.230	9.213.272
Exchange difference for foreign currency transactions		7.707.540	2.690.215
(Gain) / Loss on sale of:			
non-current Goods held for sale		-	(1.241.065)
Property, pipelines, plant and equipment	11, 27	(166.000)	-
Loss for derecognition of:			
Inventories	8	873.022	128.438
Property, pipelines, plant and equipment	11, 27	(94.712)	127.230
Concessions	12	1.386.594	1.026.642
intangible assets	11, 27	57.154	783
Recognition of financial leasing - lessor	7, 11, 24, 25	(614.322)	-
Investment properties		(176.519)	-
Construction contracts concessions	12, 24	(149.553.099)	-
Wealth tax	15	200.533.575	112.341.729
Changes in assets and liabilities:			
Accounts receivable		(32.356.150)	96.692.772
Inventories		(9.269.712)	(12.048.692)
Equity instruments through profit or loss		40.613.689	(290.479.860)
Other assets		(47.459.829)	(37.255.112)
Accounts payable		12.561.482	(69.692.896)
Employee benefits		(282.656)	(335.179)
Provisions		-	(13.425.715)
Other liabilities		26.413.046	13.114.367
Paid income tax		(158.028.199)	(130.540.966)
Yields received		177.846.445	175.585.528
Interest paid		(157.248.812)	(216.581.862)
Net cash provided by operating activities		<u>427.460.125</u>	<u>6.812.777</u>
Cash flow from investment activities:			
Acquisition of:			
Property, plant and equipment	11	(36.632.484)	(33.455.268)
Concessions	12	(249.405.332)	(168.732.909)
Other intangibles	13	(11.477.737)	(4.956.449)
Result from the sale of:			
Property, plant and equipment	27	166.000	-
non-current Goods held for sale		-	1.900.000
Excess paid for acquisition of interest in non-controlling interests		1.764	-
Dividends received from investments in associated companies	10	24.368.378	30.761.791
Net cash used in financing activities		<u>(272.979.411)</u>	<u>(174.482.835)</u>
Cash flow from financing activities :			
Paid dividends		(263.104.293)	(234.954.137)
Acquisition of financial obligations	16	532.029.815	952.207.598
Payment of financial obligations	16	(445.164.315)	(90.613.672)
Bond payment	17	33.580	(99.821.000)
Non controlled interest		(1.743)	-
Net cash (used) provided for financing activities		<u>(176.206.956)</u>	<u>526.818.789</u>
(net decrease) Net increase of cash and cash equivalents		(21.726.242)	359.148.731
Effect of conversion adjustment on cash and cash equivalents		20.713.610	15.556.751
Effect of exchange differences on cash and cash equivalents		210.948	(4.271.317)
Cash and cash equivalents initial balance		420.470.760	250.198.028
Cash and cash equivalents ending balance		<u>\$ 419.669.076</u>	<u>620.632.193</u>

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

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

NOTE 1. REPORTING ENTITY

Promigas S.A. E.S.P. (hereinafter Promigas S.A. E.S.P., Promigas or the Company) was incorporated in accordance with Colombian Law on December 27, 1974, and its corporate purpose is the purchase, sale, transportation, distribution, exploitation and exploration of natural gas, oil and hydrocarbons in general, and the gas and oil activities in all their forms. It can also sell or provide goods or services to third parties, either financial or non-financial, and finance the acquisition of goods or services from third parties with its own resources. Promigas' controlling shareholder is Corporación Financiera Colombiana S.A., whose parent company is Grupo Aval Acciones y Valores S.A., both are public companies incorporated in Colombia, the corporate seat of the Company is in Barranquilla, its address is Calle 66 No. 67 – 123 and its term of duration expires on December 27, 2074.

The Company is supervised by the Superintendence of Residential Utilities and in order to keep the National Register of Securities and Brokers (RNVI, for its Spanish acronym) current subject to the concurrent supervision of the Colombian Financial Superintendence, in accordance with the provisions of Articles 5.2.4.1.2 and 5.2.4.1.3 of single Decree 2555/2010 of the Colombian Financial Superintendence and Regulation Letter 007/2015, Title Three. The Company is also required to submit separate financial statements and consolidated financial statements, which shall include its shareholding interest in subsidiaries and investments in associates.

Entity	June 2021			December 2020		
	Direct	Indirect	Total	Direct	Indirect	Total
Surtigas S.A. E.S.P.	99.99%	0.00%	99.99%	99.99%	0.00%	99.99%
Transoccidente S.A. E.S.P.	79.00%	0.00%	79.00%	79.00%	0.00%	79.00%
Promioriente S.A. E.S.P.	73.27%	0.00%	73.27%	73.27%	0.00%	73.27%
Transmetano E.S.P. S.A.	99.67%	0.00%	99.67%	99.67%	0.00%	99.67%
Gases de Occidente S.A. E.S.P.	94.43%	0.00%	94.43%	94.43%	0.00%	94.43%
Compañía Energética de Occidente S.A. E.S.P.	49.00%	48.16%	97.16%	49.00%	48.16%	97.16%
Orion Contac Center S.A.S.	0.00%	96.65%	96.65%	0.00%	96.65%	96.65%
Promisol S.A.S.	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Gases del Pacífico S.A.C.	95.49%	4.51%	100.00%	92.97%	7.03%	100.00%
Gases del Norte del Perú S.A.C.	97.86%	2.14%	100.00%	75.00%	25.00%	100.00%
Promigas Perú S.A.	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Promisol México S.A. de C.V.	5.00%	95.00%	100.00%	5.00%	95.00%	100.00%
Zonagen S.A.S.	0.00%	99.95%	99.95%	0.00%	99.95%	99.95%
Sociedad Portuaria El Cayao S.A. E.S.P.	51.00%	0.00%	51.00%	51.00%	0.00%	51.00%
Enlace Servicios Compartidos S.A.S.	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Promigas Panamá Corporation (1)	100.00%	0,00%	100,00%	-	-	-

(1) Company incorporated on May 24, 2021, in accordance with the laws of the Republic of Panama. The corporate purpose of this Company is the sale of Natural Gas and Liquefied

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

Natural Gas (LNG). The company's authorized capital is \$15,000 divided into 150 common shares with a nominal value of \$100 each. The duration of the company is perpetual.

In addition, it has the following associates:

Entity	Country of incorporation	Ownership interest	
		June 30, 2021	December 31, 2020
Gases del Caribe S.A. E.S.P. (Gas Caribe)	Colombia	30.99%	30.99%
E2 - Energía Eficiente S.A. E.S.P.	Colombia	37.26%	37.26%
Concentra en Inteligencia en Energía S.A.S.	Colombia	22.24%	22.24%
Gas Natural de Lima y Callao S.A.C.	Peru	40.00%	40.00%

Regulatory Framework

Promigas is mainly governed by Act 142/1994, whereby the Public Utilities Regime is established, CREG Resolution 071/1999, whereby the Single Regulation for Natural Gas Transportation (RUT, for its Spanish acronym) in Colombia is established, Act 689/2001, whereby Act 142/1994 is partially amended, the industry's regulations, the concession agreements in force, its bylaws and other provisions contained in the Code of Commerce.

The rates the Companies charge its customers for natural gas transportation and distribution services are regulated by the National Government through the Energy and Gas Regulatory Commission (CREG, for its Spanish acronym).

NOTE 2. BASES OF ACCOUNTING

2.1 Technical Normative Framework

The condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard 34 (IAS 34) – Interim Financial Reporting, included in the Accounting and Financial Reporting Standards accepted in Colombia (CFRS), set out in Act 1314 of 2009, regulated by Single Regulatory Decree 2420 of 2015, as amended by Decrees 2496 of 2015, 2131 of 2016, 2170, 2483 of 2018, 2270 of 2019 and 1432 of 2020. The CFRS applicable in 2021 are based on the International Financial Reporting Standards (IFRS), along with its interpretations, issued by the International Accounting Standards Board (IASB). The base standards correspond to the officially translated to Spanish by the IASB as of the first half of 2018 and the incorporation of the amendment to IFRS 16 - Leases: Covid-19-Related Rent Concessions issued in 2020.

2.2 Basis of Presentation

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and must be read together with the annual consolidated financial

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

statements as of December 31, 2020, which include and disclose the policies, calculation methods, judgments and accounting estimates used in the preparation of the condensed consolidated interim financial statements.

The condensed consolidated interim financial statements do not include all the information required for a complete set of financial statements under CFRS, however, notes were selected which include explanation of events and significant transactions that allow us to understand the changes observed in the financial position and the development of the Company since the latest consolidated annual financial statements.

For legal purposes in Colombia, the separate financial statements are the statutory financial statements.

2.3 Functional and Presentation Currency

The items included in these condensed consolidated interim financial statements are presented using "Colombian pesos". All information is expressed in thousands of pesos rounded up to the nearest unit.

The representative exchange rates to convert transactions from United States dollars to Colombian pesos as computed and certified by the Financial Superintendence of Colombia are as follows:

	June 2021	December 2020
Period-end	<u>3.748,50</u>	<u>3.432,50</u>
Monthly averages:		
June 2021		December 2020
January	3,494.53	January \$ 3,317.37
February	3,552.43	February 3,408.24
March	3,617.00	March 3,870.01
April	3.651,85	April 3.986,56
May	3.741,96	May 3.863,34
June	3.693,00	June 3.693,00

Assets and liabilities from foreign transactions are converted into Colombian pesos using the prevailing exchange rate at the reporting date, and their income statements are converted using the exchange rate at the transaction date. Equity, at its respective historical rate. Any variations in the conversion are recognized through other comprehensive income, within equity. Below is a detail of the functional and presentation currency of Promigas and its subsidiaries and associates:

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

	Functional currency
Subsidiaries:	
Surtidora de Gases del Caribe S.A. E.S.P. (Surtigas)	Colombian peso
Transoccidente S.A. E.S.P.	Colombian peso
Gases de Occidente S.A. E.S.P.	Colombian peso
Transportadora de Metano E.S.P. S.A. (Transmetano)	Colombian peso
Compañía Energética de Occidente S.A. E.S.P.	Colombian peso
Promioriente S.A. E.S.P.	Colombian peso
Sociedad Portuaria El Cayao S.A. E.S.P.	United States dollar
Gases del Pacífico S.A.C.	United States dollar
Gases del Norte del Perú S.A.C.	United States dollar
Orión Contac Center S.A.S.	Colombian peso
Promisol S.A.S.	Colombian peso
Zonagen S.A.S.	Colombian peso
Promisol México S.A. de C.V.	Mexican peso
Enlace Servicios Compartidos S.A.S.	Colombian peso
Promigas Perú S.A.	United States dollar
Associates:	
Gases del Caribe S.A. E.S.P. (Gas Caribe)	Colombian peso
Energía Eficiente S.A. E.S.P.	Colombian peso
Gas Natural de Lima y Callao S.A.C.	United States dollar
Concentra Inteligencia en Energía S.A.S.	Colombian peso

NOTE 3. DETERMINING FAIR VALUES

The condensed consolidated interim financial statements have the same criteria for determining fair values used as of December 31, 2020. No significant variations were identified, for this reason, they must be read together with the annual consolidated financial statements as of December 31, 2020.

Fair Value Measurements on a Recurring Basis

Fair value measurements on a recurring basis are those that the IFRS require or allow in the statement of financial position at the end of the reporting accounting period.

The following table analyzes, within the fair value hierarchy, the assets, and liabilities (by class) of Promigas and subsidiaries measured at fair value on a recurring basis as of:

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

	June 2021		December 2020	
	Level 2	Level 3	Level 2	Level 3
Assets				
Hedging asset position (Note.6)	\$ 1,005,569	-	9,067,041	-
Debt instruments through profit or loss (Note.6)	-	-	3,096,901	-
Equity instruments through profit or loss (Note.6)	319,975,199	-	366,768,172	-
Financial instruments at fair value through profit or loss (Note.6)	300,000	-	300,000	-
Equity instruments through OCI (Note.6)	18,107,576	-	17,824,949	-
Long-term financial asset debtors (Note.6)		3,102,843,044		2,958,385,088
Investment property		8,354,981	-	8,177,931
	\$ <u>339,388,344</u>	<u>3,111,198,025</u>	<u>397,057,063</u>	<u>2,966,563,019</u>
Liabilities				
Creditors for hedging liability position (Note.18)	\$ <u>15,214,863</u>	<u>-</u>	<u>30,616,019</u>	<u>-</u>

Promigas and its subsidiaries have no assets or liabilities categorized in Level 1, considering that for an asset or liability to be categorized in Level 1, its values must be based on quoted prices in active markets

The following table shows the movement of assets classified in Level 3. There were no transfers between levels during the period:

	<u>Investment property</u>	<u>Financial assets from pipelines under concession</u>
Balance as of January 1, 2021	\$ 8,177,931	2,958,385,088
Capitalized purchases or expenses (net)	531	-
Adjustments at fair value through profit or loss	176,519	144,457,956
Balance as of June 30, 2021	\$ <u>8,354,981</u>	<u>3,102,843,044</u>

NOTE 4. BUSINESS COMBINATION

On July 13, 2020, Promigas S.A. E.S.P. acquired 100% of the shares of Promigas Perú S.A. (formerly Gas Comprimido del Perú S.A.), which was a company controlled by Corficolombiana S.A., thus exercising direct control over this company. This operation was carried out as part of the strategy of expansion and strengthening of the position in Peru to consolidate the leadership in the massification of natural gas in that country.

Promigas Peru S.A. is a leading company in the development of the natural gas market in northern Peru, with Piura and Chiclayo being the second and third cities respectively to have Natural Gas after Lima. As it is a complementary business not regulated through Service Stations, it will allow access to customers in a transitional efficient manner, becoming an additional source of natural gas for Gases del Pacífico S.A.C. and thus reach regions where it is not possible for the concession.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

Acquisition amount

The sale price was agreed at USD \$4,995,069, a sum that was paid on the closing date of the transaction, which was July 17, 2020, and converted to thousands of Colombian pesos was \$18,060,920.

The following table summarizes the consideration paid by Promigas S.A. E.S.P., the fair values of the assets acquired, and the liabilities assumed on the acquisition date.

Balance sheet	Book value (soles)	Adjustments (Soles)	Fair value (Soles)	Fair value (USD)
Cash and cash equivalents	1,417,251	-	1,417,251	400,240
Trade accounts receivable	3,747,716	-	3,747,716	1,058,378
Other receivables	8,266,811	-	8,266,811	2,334,598
Inventories (1)	3,564,828	837,087	4,401,915	1,243,128
Prepaid expenses	599,738	-	599,738	169,370
Current assets	17,596,344	837,087	18,433,431	5,205,714
Deferred income tax	98,636	219,057	317,693	89,719
Net Property, plant and equipment (2)	48,913,978	1,100,823	50,014,801	14,124,485
Net right-of-use assets	522,104	-	522,104	147,445
Net intangible assets	224,271	-	224,271	63,335
Non-current assets	49,758,989	1,319,880	51,078,869	14,424,984
				-
Contracts with customers (3)	-	4,743,025	4,743,025	1,339,459
Goodwill	-	-	19,476,891	5,500,393
				-
Total assets	67,355,333	6,899,992	93,732,216	26,470,550
Financial obligations	885,000	-	885,000	249,929
Trade accounts payable	3,127,583	-	3,127,583	883,248
Other payables	2,783,808	-	2,783,808	786,164
Current liabilities	6,796,391	-	6,796,391	1,919,341
Financial obligations	29,371,622	742,567	30,114,189	8,504,431
Other payables	1,411,613	-	1,411,613	398,648
Accounts payable to related parties	35,751,609	-	35,751,609	10,096,472
PPA deferred tax liability	-	1,970,876	1,970,876	556,587
Non-current liabilities	66,534,844	2,713,443	69,248,287	19,556,140
Total liabilities	73,331,235	2,713,443	76,044,678	21,475,481
				-
Net assets (Equity)	(5,975,902)	4,186,549	17,687,538	4,995,069

(1) Inventories include the recognition of gas inventory, which was measured at Net Realization Value.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

- (2) Property, plant, and equipment were recognized in accordance with the technical appraisal carried out under the depreciated replacement cost methodology.
- (3) An intangible related to contracts with customer measured at fair value was identified. These are ten contracts with Compressed Natural Gas customers and four contracts with customers who lease service stations and must acquire the Vehicle Natural Gas to be supplied from Promigas Peru.

The general methodology for identifying and valuing intangible assets corresponds to the income approach, which assumes that the value of an asset is represented by the present value of expected future cash flows. These contracts were valued by the MEEM method (Multi-Period Excess Earnings Method).

Adjustments to the fair value of facilities, machinery and equipment are depreciated over the remaining useful life, whose average for GASCOPI is 8 years, using the straight-line method.

The intangible for the relationship with customers is amortized over 31 years, considering the estimated time of permanence of Promigas in Peru in accordance with the concession agreements signed for the provision of gas distribution services through Gases del Pacífico S.A.C. and Gases del Norte del Perú, since the acquisition of Promigas Perú S.A. is part of the strategy of Promigas to fulfill its commitments in that country.

Adjustments to the fair value of inventories and financial obligations are amortized according to inventory turnover and cancellation of obligations, respectively.

The balance of capital gains as of June 30, 2021, is detailed below:

	June 2021	December 2020
Gas Natural de Lima y Callao S.A.C.	\$ 20,912,996	20,912,996
Compañía Energética de Occidente S.A.S. E.S.P.	448,207	448,207
Gases de Occidente S.A. E.S.P.	65,577,389	65,577,389
Promioriente S.A. E.S.P.	2,845,365	2,845,365
Promisol S.A.S.	91,501	91,501
Surtigas S.A. E.S.P.	35,414,936	35,414,936
Transmetano E.S.P. S.A.	921,966	921,966
Sociedad Portuaria El Cayao S.A. E.S.P.	329,486	329,486
Transoccidente S.A. E.S.P.	234,352	234,352
Enercolsa S.A.S.	2,042,727	2,042,727
Promigas Perú S.A.	20,618,224	22,938,368
	<u>\$ 149,437,149</u>	<u>151,757,293</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

NOTE 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are integrated as follows:

	June 2021	December 2020
In local currency		
Cash	\$ 587,223	605,328
Banks (1)	175,030,809	161,939,411
Cash in local currency	<u>175,618,032</u>	<u>162,544,739</u>
In foreign currency		
Cash	229,402	191,847
Banks (1)	243,821,642	257,734,174
Cash in foreign currency	<u>244,051,044</u>	<u>257,926,021</u>
Cash and cash equivalents	<u>\$ 419,669,076</u>	<u>420,470,760</u>

- (1) Breakdown of the credit rating determined by independent risk rating agencies of the financial institutions where the Company and its subsidiaries keep cash funds:

Credit rating	March 2021
AAA	\$ 213,112,633
AA+	68,617,130
A	134,688,553
A+	1,821,296
BBB+	612,839
	<u>\$ 418,852,451</u>

There are no restrictions or limitations in this area.

NOTE 6. FINANCIAL ASSETS AT FAIR VALUE

The balance of financial assets at fair value is as follows:

	June 2021	December 2020
Short-term		
Debt instruments through profit or loss	\$ -	3,096,901
Equity instruments through profit or loss	319,975,199	366,768,172
Other accounts receivable at fair value	894,036	8,942,106
	<u>\$ 320,869,235</u>	<u>378,807,179</u>
Long-term		
Equity instruments through profit or loss	\$ 300,000	300,000
Equity instruments through OCI	18,107,576	17,824,948
Other accounts receivable (1)	3,102,843,043	2,958,385,088
	<u>\$ 3,121,250,619</u>	<u>2,976,510,036</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

(1) Below is the breakdown of financial assets by Company:

	June 2021
Promigas S.A. E.S.P.	\$ 2,451,592,520
Transmetano E.S.P. S.A.	166,088,910
Surtigas S.A. E.S.P.	329,270,469
Promioriente S.A. E.S.P.	54,675,324
Gases de Occidente S.A. E.S.P.	101,215,820
	<u>\$ 3,102,843,043</u>

NOTE 7. FINANCIAL ASSETS AT AMORTIZED COST

The balance of financial assets at amortized cost is as follows:

	June 2021	December 2020
Short-term		
Debt securities	\$ 24,790	24,991
Accounts receivable (1)	1,095,973,682	1,045,346,282
Other accounts receivable (2)	150,218,807	58,398,458
	<u>\$ 1,246,217,279</u>	<u>1,103,769,731</u>
Long-term		
Debt securities	\$ 172,553	172,553
Accounts receivable (1)	1,696,135,128	1,591,443,287
Other accounts receivable (2)	8,249,318	9,149,599
	<u>\$ 1,704,556,999</u>	<u>1,600,765,439</u>

(1) Accounts receivable is made up as follows:

	June 2021	December 2020
Short-term		
Gas transport	\$ 114,162,672	113,895,751
Gas distribution	458,777,848	424,083,680
Distribution and trade of energy	144,100,969	164,054,780
Non-bank financing - NBF	231,615,369	216,068,759
Finance lease	148,775,105	123,777,984
Other services	99,689,711	101,508,158
	<u>1,197,121,674</u>	<u>1,143,389,112</u>
Impairment provision	(101,147,992)	(98,042,830)
	<u>\$ 1,095,973,682</u>	<u>1,045,346,282</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

Long-term			
Gas transport	\$	2,051	4,906
Gas distribution		247,436,655	230,040,689
Distribution and trade of energy		25,160,237	27,758,246
Other services		112,020,338	112,164,398
Non-bank financing - NBF		233,470,460	174,744,774
Finance lease		1,140,430,048	1,105,430,674
		<u>1,758,519,789</u>	<u>1,650,143,687</u>
Impairment provision		(62,384,661)	(58,700,400)
	\$	<u>1,696,135,128</u>	<u>1,591,443,287</u>

As of June 30, 2021, and December 31, 2020, there is no lien or restriction on the balance of the impairment provision account.

(2) Other accounts receivable is made up as follows:

	June 2021	December 2020
Short-term		
Loans granted	\$ 3,689,200	3,736,272
Dividends receivable (1)	115,305,810	-
Other debtors	42,322,562	64,566,638
	<u>161,317,572</u>	<u>68,302,910</u>
Impairment provision	(11,098,765)	(9,904,452)
	<u>\$ 150,218,807</u>	<u>58,398,458</u>
Long-term		
Loans granted	\$ 7,894,674	8,513,154
Other debtors	1,240,162	1,388,286
	<u>9,134,836</u>	<u>9,901,440</u>
Impairment provision	(885,518)	(751,841)
	<u>\$ 8,249,318</u>	<u>9,149,599</u>

(1) The following is the detail of the dividends receivable:

	June 2021
Gas Natural de Lima y Callao	96,232,249
Gases del Caribe S.A. E.S.P.	16,950,140
Extrucol	379,970
E2 Energía Eficiente	1,743,451
	<u>115,305,810</u>

Below is the consolidated movement of the impairment of accounts receivable:

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS****(Expressed in thousands of Colombian Pesos, unless otherwise stated)**

		June 2021
Initial balance	\$	(167,399,523)
Impairment through profit or loss		(33,894,025)
Write-off		16,316,783
Refund		10,290,245
Conversion adjustments of transactions in foreign subsidiaries		(830,416)
Final balance	\$	<u>(175,516,936)</u>

NOTE 8. INVENTORIES

The composition of the inventory balances is as follows:

		June 2021	December 2020
Goods in stock	\$	53,857,202	52,058,416
Materials for the provision of services		43,812,059	33,761,091
Inventory in transit		255,014	713,646
Inventory held by third parties		8,693,438	8,285,401
		<u>106,617,713</u>	<u>94,818,554</u>
Inventory impairment		(4,126,053)	(4,268,731)
	\$	<u>102,491,660</u>	<u>90,549,823</u>

Below is the consolidated movement of inventory impairment:

		June 2021
Initial balance	\$	(4,268,731)
Impairment charged to expenses		(83,922)
Write-Off		232,217
Conversion adjustments of transactions in foreign subsidiaries		(5,617)
Final balance	\$	<u>(4,126,053)</u>

NOTE 9. OTHER ASSETS

Below is the detail of other assets:

		June 2021	December 2020
Short-term			
Prepaid expenses		79,100,987	83,782,879
Advances or balances in favor due to other taxes		118,870,711	105,096,041
Business collaboration receivable		4,577,555	5,232,792
Delivered deposits		17,365,171	3,310,153
	\$	<u>219,914,424</u>	<u>197,421,865</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

Long-term		
Long-term deposits	47,307	-
Long-term prepaid expenses	79,546,170	66,568,349
Deferred advances or balances in favor	44,277,957	22,434,528
	\$ 123,871,434	89,002,877

NOTE 10. INVESTMENTS IN ASSOCIATES

Below is the detail of investments in associate companies:

Company	Economic Activity	Seat	Share %	Book value
<u>June 2021</u>				
Gas Natural de Lima y Callao S.A.C.	Gas distribution	Peru	40.00%	\$ 461,882,577
Gases del Caribe S.A. E.S.P.	Gas distribution	Colombia	30.99%	306,676,648
E2 - Energía Eficiente S.A. E.S.P.	Gas trade	Colombia	37.26%	8,909,502
Concentra en Inteligencia en Energía S.A.S.	LNG Regasification	Colombia	22.24%	606,438
				778,075,165
<u>December 2020</u>				
Gas Natural de Lima y Callao S.A.C.	Gas distribution	Peru	40.00%	\$ 455,703,774
Gases del Caribe S.A. E.S.P.	Gas distribution	Colombia	30.99%	293,630,600
E2 - Energía Eficiente S.A. E.S.P.	Gas trade	Colombia	37.26%	10,133,373
Concentra en Inteligencia en Energía S.A.S.	LNG Regasification	Bogota	22.24%	521,622
				759,989,369

The movement of investments in associates are as follows:

	June 2021
Initial balance	\$ 759,989,369
Dividends declared by companies	(142,864,021)
Equity method through profit or loss	122,469,585
Equity method OCI associates	38,480,232
Final balance	\$ 778,075,165

The dividends declared by associates as of June 30, 2021, are detailed below:

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

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	Declared
Gases del Caribe S.A. E.S.P.	\$ 43,342,497
Gas Natural de Lima y Callao S.A.C.	96,621,825
	<u>2,899,699</u>
	<u>\$ 142,864,021</u>

The equity composition of investments in associates, recorded by the equity method is detailed below:

	Capital	Share underwritin g premium	Reserves	Net income	Retained earnings	Results for IFRS Adoption	Unrealized gains or losses (OCI)	Total equity
June 2021								
Gas Natural de Lima y Callao S.A.C.	\$ 474,434,154	-	122,211,670	161,342,382	(75,844,100)	-	480,216,210	1,162,360,316
Gases del Caribe S.A. E.S.P.	1,755,369	1,260,919	38,439,316	194,005,316	427,662,114	332,521,817	(3,670,231)	991,974,620
E2 - Energía Eficiente S.A. E.S.P.	909,998	1,439,982	454,999	1,781,227	18,891,411	(682,535)	-	22,795,082
Concentra en Inteligencia en Energía S.A.S.	1,764,000	-	-	330,045	481,671	-	2,343	2,578,059
December 2020								
Gas Natural de Lima y Callao S.A.C.	\$ 474,434,154	-	122,211,670	255,403,538	(89,693,074)	-	388,572,225	1,150,928,513
Gases del Caribe S.A. E.S.P.	1,755,369	1,260,919	38,649,222	351,284,713	218,791,724	332,521,817	(3,658,752)	940,605,012
E2 - Energía Eficiente S.A. E.S.P.	909,998	1,439,982	454,999	477,527	23,566,356	(682,535)	-	26,166,327
Concentra en Inteligencia en Energía S.A.S.	1,764,000	-	-	70,609	411,017	-	-	2,245,626

NOTE 11. PROPERTY, PIPELINES, PLANT AND EQUIPMENT

Below is the detail by type of property, pipelines, plant and equipment:

	June 2021			December 2020		
	Cost	Accumulated depreciation	Total	Cost	Accumulated depreciation	Total
Lands	\$ 76,305,990	-	76,305,990	74,435,627	-	74,435,627
Construction in progress	52,042,883	-	52,042,883	37,665,816	-	37,665,816
Machinery, plant and equipment in assembly	14,199,410	-	14,199,410	11,946,555	-	11,946,555
Property, plant and equipment in transit	36,424	-	36,424	125,928	-	125,928
Buildings	96,006,158	(18,691,212)	77,314,946	95,022,096	(17,144,665)	77,877,431
Pipelines and stations	536,118,039	(53,317,876)	482,800,163	531,483,695	(49,109,374)	482,374,321
Networks not under concession	458,846,726	(47,666,422)	411,180,304	474,481,080	(44,024,910)	430,456,170
Machinery and equipment	195,722,058	(86,900,717)	108,821,341	180,849,080	(79,168,641)	101,680,439
Furniture and fittings	17,175,006	(8,997,628)	8,177,378	15,553,250	(8,198,443)	7,354,807
Communication and computer equipment	38,441,700	(28,126,168)	10,315,532	38,492,774	(26,012,803)	12,479,971
Transportation equipment and fleet	10,592,166	(6,701,380)	3,890,786	10,590,912	(6,282,036)	4,308,876
Property improvements	453,550	(103,387)	350,163	453,550	(80,253)	373,297
	<u>1,495,940,110</u>	<u>(250,504,790)</u>	<u>1,245,435,320</u>	<u>1,471,100,363</u>	<u>(230,021,125)</u>	<u>1,241,079,238</u>
Impairment	(1,453,387)	-	(1,453,387)	(1,453,387)	-	(1,453,387)
	<u>\$ 1,494,486,723</u>	<u>(250,504,790)</u>	<u>1,243,981,933</u>	<u>1,469,646,976</u>	<u>(230,021,125)</u>	<u>1,239,625,851</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

The movements of property, pipelines, plant and equipment are presented below:

Cost	Lands	Construction s in progress	Machinery, plant and equipment in assembly	Property, plant and equipment in transit	Buildings	Pipelines and stations	Networks not under concession	Machinery and Equipment	Furniture and Fittings	Communicati on and computer equipment	Transportati on equipment and fleet	Leased property improvements	Total
Balance as of January 1, 2021	\$ 74,435,627	37,665,816	11,946,555	125,928	95,022,096	531,483,695	474,481,080	180,849,080	15,553,250	38,492,774	10,590,912	453,550	1,471,100,363
Purchases	20,000	26,217,200	2,308,487	-	39,835	-	1,146,723	6,121,770	283,528	469,947	24,994	-	36,632,484
Capitalized interests	-	197,246	29,576	-	-	-	-	-	-	-	-	-	226,822
Recognition in cost (lessor-builder) on the start date of the lease (1)	-	(9,096,357)	-	-	-	-	-	-	-	-	-	-	(9,096,357)
Initial recognition of PPA GASCOP	-	-	-	-	-	-	-	1,067,092	-	-	-	-	1,067,092
Capitalizations	-	(8,259,301)	(360,698)	(100,921)	561,096	4,655,536	2,440,045	891,788	167,521	4,934	-	-	-
Disposals	-	(6,376)	-	-	-	(673)	-	(22,952)	(16,133)	(67,396)	(241,668)	-	(355,198)
Legalization of advances for the purchase of assets	-	(1,831,764)	-	-	-	-	-	1,831,764	-	-	-	-	-
Transfer to inventories	-	-	-	-	-	-	-	(1,006,119)	-	-	-	-	(1,006,119)
Reclassifications	-	-	-	-	-	(20,519)	-	-	944,655	(944,655)	-	-	(20,519)
Transfer to the gas pipeline concession acquired by GasNorp	-	-	-	-	-	-	(20,449,482)	-	-	-	-	-	(20,449,482)
Surtigas solar projects transferred from other assets	-	7,378,056	-	-	-	-	-	-	-	-	-	-	7,378,056
Tax discount	-	(689,461)	-	-	-	-	-	(49,511)	(16,509)	(9,869)	-	-	(765,350)
Conversion adjustments of transactions in foreign subsidiaries	<u>1,850,363</u>	<u>467,824</u>	<u>275,490</u>	<u>11,417</u>	<u>383,131</u>	<u>-</u>	<u>1,228,360</u>	<u>6,039,146</u>	<u>258,694</u>	<u>495,965</u>	<u>217,928</u>	<u>-</u>	<u>11,228,318</u>
Balance as of June 30, 2021	\$ <u>76,305,990</u>	<u>52,042,883</u>	<u>14,199,410</u>	<u>36,424</u>	<u>96,006,158</u>	<u>536,118,039</u>	<u>458,846,726</u>	<u>195,722,058</u>	<u>17,175,006</u>	<u>38,441,700</u>	<u>10,592,166</u>	<u>453,550</u>	<u>1,495,940,110</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

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(Expressed in thousands of Colombian Pesos, unless otherwise stated)

	Lands	Construction s in progress	Machinery, plant and equipment in assembly	Property, plant and equipment in transit	Buildings	Pipelines and stations	Networks not under concession	Machinery and Equipment	Furniture and Fittings	Communicati on and computer equipment	Transportati on equipment and fleet	Leased property improvements	Total
	Lands	Construction s in progress	Machinery, plant and equipment in assembly	Property, plant and equipment in transit	Buildings	Pipelines and stations	Networks not under concession	Machinery and Equipment	Furniture and Fittings	Communicati on and computer equipment	Transportati on equipment and fleet	Leased property improvements	Total
<i>Accumulated depreciation</i>													
Balance as of January 1, 2021	\$ -	-	-	-	(17,144,665)	(49,109,374)	(44,024,910)	(79,168,641)	(8,198,443)	(26,012,803)	(6,282,036)	(80,253)	(230,021,125)
Depreciation through profit or loss	-	-	-	-	(1,301,211)	(4,209,175)	(3,851,368)	(5,994,781)	(688,633)	(1,901,767)	(574,269)	(23,134)	(18,544,338)
Disposals	-	-	-	-	-	673	-	14,344	10,814	64,786	241,668	-	332,285
Transfer to the gas pipeline concession acquired by GasNorp	-	-	-	-	-	-	219,111	-	-	-	-	-	219,111
Reclassifications	-	-	-	-	-	-	-	456,455	-	-	-	-	456,455
Conversion adjustments of transactions in foreign subsidiaries	-	-	-	-	(245,336)	-	(9,255)	(2,208,094)	(121,366)	(276,384)	(86,743)	-	(2,947,178)
Balance as of June 30, 2021	\$ <u>(1,451,423)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,691,212)</u>	<u>(53,317,876)</u>	<u>(47,666,422)</u>	<u>(86,900,717)</u>	<u>(8,997,628)</u>	<u>(28,126,168)</u>	<u>(6,701,380)</u>	<u>(103,387)</u>	<u>(250,504,790)</u>
<i>Net balance</i>													
Balance as of December 31, 2020	\$ <u>72,984,204</u>	<u>37,665,816</u>	<u>11,946,555</u>	<u>125,928</u>	<u>77,877,431</u>	<u>482,374,321</u>	<u>430,456,170</u>	<u>101,678,475</u>	<u>7,354,807</u>	<u>12,479,971</u>	<u>4,308,876</u>	<u>373,297</u>	<u>1,239,625,851</u>
Balance as of June 30, 2021	\$ <u>74,854,567</u>	<u>52,042,883</u>	<u>14,199,410</u>	<u>36,424</u>	<u>77,314,946</u>	<u>482,800,163</u>	<u>411,180,304</u>	<u>108,819,377</u>	<u>8,177,378</u>	<u>10,315,532</u>	<u>3,890,786</u>	<u>350,163</u>	<u>1,243,981,933</u>

- 1) Corresponds to the recognition of the sale at the beginning of the lease, mainly of the Solar Olímpica project of Compañía Energética de Occidente S.A. E.S.P. for \$3,503,919 and Caribe Plaza de Surtigas S.A. E.S.P. for \$ 4,240,082.

Currently, there are no restrictions related to property, pipelines, plant, and equipment.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

NOTE 12. CONCESSION ARRANGEMENTS RIGHTS

Detail of assets under concession arrangements:

	June 2021			December 2020		
	Cost	Accumulated amortization	Total	Cost	Accumulated amortization	Total
Lands under concession	\$ 34,470,178	(3,126,464)	31,343,714	31,837,849	(2,614,795)	29,223,054
Constructions in progress	467,459,647	-	467,459,647	580,865,537	-	580,865,537
Pipelines and networks	4,116,061,079	(768,261,908)	3,347,799,171	3,468,318,787	(672,488,281)	2,795,830,506
Machinery and equipment	557,352,956	(159,079,745)	398,273,211	534,880,757	(142,214,683)	392,666,074
Buildings under concession	46,032,431	(7,130,409)	38,902,022	44,751,485	(5,947,650)	38,803,835
Third-party property improvements	379,705	(49,245)	330,460	343,892	(28,533)	315,359
	<u>5,221,755,996</u>	<u>(937,647,771)</u>	<u>4,284,108,225</u>	<u>4,660,998,307</u>	<u>(823,293,942)</u>	<u>3,837,704,365</u>
Concession impairment	(2,534,976)	-	(2,534,976)	(2,295,790)	-	(2,295,790)
	<u>\$ 5,219,221,020</u>	<u>(937,647,771)</u>	<u>4,281,573,249</u>	<u>4,658,702,517</u>	<u>(823,293,942)</u>	<u>3,835,408,575</u>

Below are the movements of assets under concession:

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

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(Expressed in thousands of Colombian Pesos, unless otherwise stated)

		Lands under concession	Constructions in progress under concession	Buildings under concession	Pipelines and networks under concession	Machinery and equipment under concession	Third-party improvement under concession	Concessions
Cost								
Balance as of January 1, 2021	\$	31,837,849	580,865,537	44,751,485	3,468,318,787	534,880,757	343,892	4,660,998,307
Additions		-	225,608,806	-	23,754,139	17,431	24,956	249,405,332
Capitalized interest addition		-	6,134,890	-	365,236	-	-	6,500,126
Valuation of concessions in progress due to work progress		-	149,553,099	-	-	-	-	149,553,099
Capitalization of assets underway		106,556	(512,525,038)	1,280,946	494,815,262	16,322,274	-	-
Addition of capitalizable provision		-	-	-	20,246,841	2,849,766	-	23,096,607
Capitalized depreciation		-	141,531	-	-	-	-	141,531
Disposals		-	(1,049,422)	-	(414,301)	-	-	(1,463,723)
Reclassifications		-	20,519	-	-	-	-	20,519
Transfer to the gas pipeline concession acquired by GasNorp		-	-	-	20,231,249	-	-	20,231,249
Transfer of investment plan commitment		-	-	-	(5,642,660)	-	-	(5,642,660)
Transfers		-	(2,593,271)	-	2,593,271	-	-	-
Transfer of tax discount		-	(1,932,187)	-	(385,685)	-	-	(2,317,872)
Conversion adjustments of transactions in foreign subsidiaries		2,525,773	23,235,183	-	92,178,940	3,282,728	10,857	121,233,481
Balance as of June 30, 2021	\$	<u>34,470,178</u>	<u>467,459,647</u>	<u>46,032,431</u>	<u>4,116,061,079</u>	<u>557,352,956</u>	<u>379,705</u>	<u>5,221,755,996</u>
Accumulated amortization								
Balance as of January 1, 2021	\$	(2,614,795)	-	(5,947,650)	(672,488,281)	(142,214,683)	(28,533)	(823,293,942)
Amortization through profit or loss		(418,107)	-	(1,182,759)	(89,590,077)	(16,782,701)	(20,207)	(107,993,851)
Disposals		-	-	-	77,129	-	-	77,129
Conversion adjustments of transactions in foreign subsidiaries		(93,562)	-	-	(6,260,679)	(82,361)	(505)	(6,437,107)
Balance as of June 30, 2021	\$	<u>(3,126,464)</u>	<u>-</u>	<u>(7,130,409)</u>	<u>(768,261,908)</u>	<u>(159,079,745)</u>	<u>(49,245)</u>	<u>(937,647,771)</u>
Impairment 2020		-	-	-	(2,295,790)	-	-	(2,295,790)
Impairment through profit or loss		-	-	-	(239,186)	-	-	(239,186)
Impairment 2021		-	-	-	(2,534,976)	-	-	(2,534,976)
Net Balance:								
Balance as of December 31, 2020	\$	<u>29,223,054</u>	<u>580,865,537</u>	<u>38,803,835</u>	<u>2,793,534,716</u>	<u>392,666,074</u>	<u>315,359</u>	<u>3,835,408,575</u>
Balance as of June 30, 2021	\$	<u>31,343,714</u>	<u>467,459,647</u>	<u>38,902,022</u>	<u>3,345,264,195</u>	<u>398,273,211</u>	<u>330,460</u>	<u>4,281,573,249</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

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In the course of its operations, Promigas and its subsidiaries have the following existing concession agreements:

Concession owner	Type of business and country	Purpose	Current stage	Initial date	Construction start year	Concession end date
Gas and energy						
Surtigas S.A. E.S.P.	Gas and energy Colombia	Purchase, storage, packaging, and distribution of hydrocarbon-derived gases.	Operation	03/1984 to 04/1994	1984	2034 to 2045
Transmetano S.A. E.S.P.	Gas and energy Colombia	Construction, operation, and maintenance of gas transportation systems.	Operation and maintenance	08/1994	1996	2044
Promigas S.A. E.S.P.	Gas and energy Colombia	Purchase, sale, transport, distribution, exploitation, and exploration of natural gas, oil, and hydrocarbons in general.	Operation	05/1976 to 11/1994	1976	2026 to 2044
Promioriente S.A. E.S.P.	Gas and energy Colombia	Construction, operation, and maintenance of gas pipelines.	Operation and maintenance	09/1995	1995	2026 to 2044
Promioriente S.A. E.S.P.	Gas and energy Colombia	Construction, operation, and maintenance of gas pipelines.	Operation and maintenance	09/1995	1995	2045
Gases de Occidente S.A. E.S.P.	Gas and energy Colombia	Transportation and distribution of natural gas.	Operation	08/1998	1998	2047
Compañía Energética de Occidente S.A. E.S.P.	Gas and energy Colombia	Administration, technical and commercial operation, management for the provision of electrical energy.	Construction and operation	01/2010	2010	2035
Gases del Pacífico S.A.C.	Gas and energy Peru	Purchase, sale, production, trade of energy in any of its forms.	Construction and operation	10/2013	2015	2034
Sociedad Portuaria El Cayao S.A. E.S.P.	Gas and energy Peru	Construction, maintenance, and port management.	Operation and maintenance	07/2015	2015	2035
Gases del Norte del Perú S.A.C.	Gas and energy Peru	Purchase, sale, production, trade of energy in any of its forms.	Operation and maintenance	11/2019	2020	2051

The following is a breakdown of the main movements of revenue and costs incurred in the stage of construction of concession agreements as of June 30, 2021, and June 30, 2020:

Period accruals

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

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	<u>Revenues</u>	<u>Costs</u>
<i>June 2021</i>		
Revenues from concession agreements	393,582,863	-
Construction costs incurred in the period	-	237,828,632
	<u>-</u>	<u>237,828,632</u>
<i>June 2020</i>		
Revenues from concession agreements	224,952,604	-
Construction costs incurred in the period	-	211,863,637
	<u>-</u>	<u>211,863,637</u>

NOTE 13. OTHER INTANGIBLE ASSETS

Below is the detail of other intangible assets:

	<u>June 2021</u>			<u>December 2020</u>		
	<u>Cost</u>	<u>Accrued Amortization</u>	<u>Total</u>	<u>Cost</u>	<u>Accrued Amortization</u>	<u>Total</u>
Licenses	153,708,821	(83,000,432)	70,708,389	145,438,704	(72,674,463)	72,764,241
Software	\$ 6,040,985	(1,969,967)	4,071,018	5,259,766	(1,758,283)	3,501,483
Rights	5,000	-	5,000	5,000	-	5,000
Easements	7,117,254	(2,378,687)	4,738,567	7,108,132	(2,342,031)	4,766,101
Other intangibles	29,631,718	(1,975,734)	27,655,984	19,086,508	(1,546,035)	17,540,473
	<u>\$ 196,503,778</u>	<u>(89,324,820)</u>	<u>107,178,958</u>	<u>176,898,110</u>	<u>(78,320,812)</u>	<u>98,577,298</u>

Below is the movement of intangible assets:

	June 2021
Cost	
Balance as of January 1, 2021	\$ 176,898,110
Additions	11,477,737
PPA opening balance recognition	4,597,693
Addition capitalizable interest	294,940
Conversion adjustments of transactions in foreign subsidiaries	2,728,323
Disposals	(57,154)
Audited balance adjustments	564,129
Balance as of June 30, 2021	<u>\$ 196,503,778</u>
Accumulated amortization	
Balance as of January 1, 2021	\$ (78,320,812)
Amortization through cost	(3,286,500)
Amortization through expenses	(6,893,449)
Conversion adjustments of transactions in foreign subsidiaries	(740,469)
Audited balance adjustments	(83,590)
Balance as of June 30, 2021	<u>\$ (89,324,820)</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

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NOTE 14. RIGHTS OF USE

Below is a breakdown by type of property, plant and equipment and concessions with right of use:

	June 2021			December 2020		
	Cost	Accumulated depreciation	Total	Cost	Accumulated depreciation	Total
Rights of use associated with property, plant, and equipment						
Land	4,526,223	(775,142)	3,751,081	4,233,789	(545,298)	3,688,491
Buildings	20,953,369	(3,705,375)	17,247,994	20,091,564	(2,669,105)	17,422,459
Machinery and equipment	56,613,414	(54,388,994)	2,224,420	56,576,275	(54,315,202)	2,261,073
Transport equipment	30,753,449	(19,757,843)	10,995,606	28,125,808	(17,612,800)	10,513,008
Communication and computing equipment	110,618	(53,464)	57,154	219,868	(151,652)	68,216
Rights of use associated with property, plant and equipment	<u>112,957,073</u>	<u>(78,680,818)</u>	<u>34,276,255</u>	<u>109,247,304</u>	<u>(75,294,057)</u>	<u>33,953,247</u>
Rights of use associated with concessions						
Land	243,557	(18,760)	224,797	163,676	(12,020)	151,656
Buildings	5,248,181	(1,504,766)	3,743,415	5,247,677	(1,414,901)	3,832,776
Machinery and equipment	<u>114,339,577</u>	<u>(17,189,470)</u>	<u>97,150,107</u>	<u>112,051,753</u>	<u>(13,378,156)</u>	<u>98,673,597</u>
Rights of use associated with concessions	<u>119,831,315</u>	<u>(18,712,996)</u>	<u>101,118,319</u>	<u>117,463,106</u>	<u>(14,805,077)</u>	<u>102,658,029</u>
Total right of use	<u>\$ 232,788,388</u>	<u>(97,393,814)</u>	<u>135,394,574</u>	<u>226,710,410</u>	<u>(90,099,134)</u>	<u>136,611,276</u>

Below is the breakdown of right of use assets associated with property, plant and equipment and concessions:

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

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	Land	Buildings	Machinery and equipment	Transport equipment	Communication and computing equipment	Land associated with the concession	Buildings associated with the concession	Machinery and equipment associated with the concession	Total rights of use
Cost									
Balance as of January 1, 2021	\$ 4,233,789	20,091,564	56,576,275	28,125,808	219,868	163,676	5,247,677	112,051,753	226,710,410
Addition of new finance leases	-	824,217	-	4,314,646	-	-	-	-	5,138,863
Addition of existing finance leases	15,024	551,386	37,139	386,848	-	2,678	47,062	2,287,824	3,327,961
Withdrawals, sales and derecognitions	(10,018)	(836,658)	-	(2,339,168)	(109,250)	-	(326,405)	-	(3,621,499)
Conversion adjustments of transactions in foreign subsidiaries	287,428	322,860	-	265,315	-	-	357,050	-	1,232,653
Audited balance adjustments	-	-	-	-	-	77,203	(77,203)	-	-
Balance as of June 30, 2021	<u>\$ 4,526,223</u>	<u>20,953,369</u>	<u>56,613,414</u>	<u>30,753,449</u>	<u>110,618</u>	<u>243,557</u>	<u>5,248,181</u>	<u>114,339,577</u>	<u>232,788,388</u>
Accumulated depreciation									
Balance as of January 1, 2021	\$ (545,298)	(2,669,105)	(54,315,202)	(17,612,800)	(151,652)	(12,020)	(1,414,901)	(13,378,156)	(90,099,134)
Depreciation through profit or loss	(181,831)	(1,041,285)	(73,792)	(3,000,693)	(11,062)	(6,222)	(321,213)	(3,811,314)	(8,447,412)
Withdrawals, sales and derecognitions	1,402	71,516	-	1,064,367	109,250	-	326,405	-	1,572,940
Capitalized depreciation	-	-	-	(141,531)	-	-	-	-	(141,531)
Conversion adjustments of transactions in foreign subsidiaries	(49,415)	(66,501)	-	(67,186)	-	-	(95,575)	-	(278,677)
Audited balance adjustments	-	-	-	-	-	(518)	518	-	-
Balance as of June 30, 2021	<u>\$ (775,142)</u>	<u>(3,705,375)</u>	<u>(54,388,994)</u>	<u>(19,757,843)</u>	<u>(53,464)</u>	<u>(18,760)</u>	<u>(1,504,766)</u>	<u>(17,189,470)</u>	<u>(97,393,814)</u>
Net balance									
Balance as of December 31, 2020	<u>\$ 3,688,491</u>	<u>17,422,459</u>	<u>2,261,073</u>	<u>10,513,008</u>	<u>68,216</u>	<u>151,656</u>	<u>3,832,776</u>	<u>98,673,597</u>	<u>136,611,276</u>
Balance as of June 30, 2021	<u>\$ 3,751,081</u>	<u>17,247,994</u>	<u>2,224,420</u>	<u>10,995,606</u>	<u>57,154</u>	<u>224,797</u>	<u>3,743,415</u>	<u>97,150,107</u>	<u>135,394,574</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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NOTE 15. INCOME TAX

Below is the detail of the deferred tax:

	June 2021	December 2020
Net deferred tax assets	\$ 59,395,248	60,225,121
Net deferred tax liabilities	<u>(759,842,365)</u>	<u>(700,397,289)</u>
Net deferred tax	<u>\$ (700,447,117)</u>	<u>(640,172,168)</u>

Deferred tax movement:

Net balance as of December 31, 2020	\$	(640,172,168)
Net through profit or loss		(67,476,747)
Through OCI		(2,840,597)
Conversion adjustment of deferred tax		10,042,395
Net Deferred tax as of June 30, 2021	\$	<u><u>(700,447,117)</u></u>

Below is the breakdown of the income tax expense:

	June 2021	June 2020
Income tax	133,056,828	109,281,229
Net deferred taxes	<u>67,476,747</u>	<u>3,060,500</u>
Total income tax expense	<u><u>200,533,575</u></u>	<u><u>112,341,729</u></u>

NOTE 16. FINANCIAL OBLIGATIONS

Below is a summary of the financial obligations obtained by Promigas and its subsidiaries, with the main purpose of financing its operations and investment plan:

	June 2021	December 2020
Short-term		
Loans in foreign currency	\$ 199,579,039	173,408,076
Loans in local currency	28,568,073	45,488,013
Lease agreements	139,729,719	128,912,652
Interest payable	5,245,683	5,984,937
	<u>\$ 373,122,514</u>	<u>353,793,678</u>
Long-term		
Loans in foreign currency	\$ 298,428,220	319,933,188
Loans in local currency	941,702,936	727,074,313
Lease agreements	814,200,894	823,369,280
	<u>\$ 2,054,332,050</u>	<u>1,870,376,781</u>
Total financial obligations	<u>\$ 2,427,454,564</u>	<u>2,224,170,459</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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Below is a reconciliation of the changes between liabilities and cash flows arising from financing activities:

	Credits obtained in local currency	Credits obtained in foreign currency	Lease agreements	Interest payable	Financial obligations
Financial obligations and liabilities					
Balance as of January 1, 2021	\$ 772,562,325	493,341,265	952,281,932	5,984,937	2,224,170,459
Addition obligations	426,405,831	105,623,984	8,359,484	-	540,389,299
Initial recognition PPA Promigas Peru	-	719,816	-	-	719,816
Payments	(231,516,588)	(146,046,881)	(67,600,846)	(59,670,577)	(504,834,892)
Transfers, cancellations, and withdrawals	(4,446)	(9,560)	(1,984,359)	(167,818)	(2,166,183)
Interest through profit or loss	2,823,887	1,508,592	781,241	57,732,504	62,846,224
Capitalized interest	-	-	-	1,262,694	1,262,694
Exchange difference	-	(1,143,495)	27,019	(13,317)	(1,129,793)
Hedges through profit or loss	-	949,425	-	-	949,425
Conversion adjustments of transactions in foreign subsidiaries	-	43,064,113	62,066,142	117,260	105,247,515
Balance as of June 30, 2021	\$ <u>970,271,009</u>	<u>498,007,259</u>	<u>953,930,613</u>	<u>5,245,683</u>	<u>2,427,454,564</u>

NOTE 17. OUTSTANDING BONDS

Outstanding bonds are detailed below:

	June 2021	December 2020
Short-term		
Ordinary bonds	\$ 120,000,000	-
Bonds interest payable	40,736,500	29,775,925
	<u>\$ 160,736,500</u>	<u>29,775,925</u>
Long-term		
Ordinary bonds	\$ 4,573,048,358	4,521,253,738
	<u>\$ 4,573,048,358</u>	<u>4,521,253,738</u>

(1) The variation corresponds to the transfer to the short term of the following series of bonds that mature in March 2022:

Series	Term	Interest rate	Issue date	Maturity	Date of underwriting
A7	7 years	CPI+3.34%	11/03/2015	11/03/2022	11/03/2015

Below is a reconciliation of the changes between liabilities and cash flows arising from bond financing activities:

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	Bonds	Interest bonds payable	Outstanding bonds
Outstanding bonds			
Balance as of January 1, 2021	\$ 4,521,253,738	29,775,925	4,551,029,663
Addition incremental costs	(151,225)	-	(151,225)
Payments	33,580	(97,578,235)	(97,544,655)
Interest through profit or loss	8,853,961	105,936,517	114,790,478
Capitalized interest	-	1,666,638	1,666,638
Exchange difference	20,678,225	77,886	20,756,111
Non-derivative hedges with effect on OCI	54,833,821	-	54,833,821
Hedges through profit or loss	248,897	-	248,897
Conversion adjustments of transactions in foreign subsidiaries	87,297,361	857,769	88,155,131
Balance as of June 30, 2021	<u>\$ 4,693,048,358</u>	<u>40,736,500</u>	<u>4,733,784,859</u>

NOTE 18. ACCOUNTS PAYABLE

Below is the detail of accounts payable:

	June 2021	December 2021
Short-Term		
Domestic goods and services	\$ 356,857,703	346,073,855
Foreign goods and services	85,901,577	70,861,696
Creditors	71,828,891	68,936,399
Dividends payable	351,079,883	69,282,078
Hedges payable	9,313,852	23,366,930
Subsidies assigned payable	96,372	207,131
	<u>\$ 875,078,278</u>	<u>578,728,089</u>
Long-Term		
Creditors	20,696,127	18,760,105
National goods and services	974,424	1,519,777
Interest rate hedging swaps	\$ 5,901,011	7,249,089
	<u>27,571,562</u>	<u>27,528,971</u>

Dividends payable are detailed as follows:

	June 2021	December 2020
Corficolombiana S.A.	116,338,814	23,742,615
CFC Gas Holding S.A.	35,304,737	7,205,048
Otros	199,436,332	38,334,415
	<u>351,079,883</u>	<u>69,282,078</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

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(Expressed in thousands of Colombian Pesos, unless otherwise stated)

NOTE 19. EMPLOYEE BENEFITS

Below is the detail of balances of employee benefits:

	June 2021	December 2020
Short-Term		
Severance and interest on severance pay	\$ 3,798,433	6,495,403
Vacation leaves	10,054,641	9,060,984
Extralegal benefits	2,004,790	1,752,563
Other payments and benefits	6,880,589	5,407,612
	<u>\$ 22,738,453</u>	<u>22,716,562</u>
Long-term		
Post-employment benefits - Severance previous law	\$ 422,471	505,501
Post-employment benefits - Pensions	1,033,094	1,650,323
Long-term benefits	3,073,624	2,495,468
	<u>\$ 4,529,189</u>	<u>4,651,292</u>

NOTE 20. OTHER LIABILITIES

Below is the detail of other liabilities:

	June 2021	December 2020
Collection for third parties	\$ 23,183,466	22,005,103
Withholding tax and self-withholding tax	19,076,871	21,067,420
Industry and trade withholding tax payable	2,064,835	1,614,856
Other taxes and contributions payable	25,398,242	27,461,394
Value added tax payable	3,545,964	4,367,927
Deposits received from third parties (1)	50,437,910	27,837,133
Revenues received in advance	42,241,994	43,893,552
	<u>\$ 165,949,282</u>	<u>148,247,385</u>

- 1) In June 2021, Compañía Energética de Occidente received resources amounting to 24,112,912 from the Social Energy Fund (FOES) and the Financial Support Fund for the Energization of Interconnected Rural Areas (FAER). These resources, as well as any return they generate, are used to finance investment plans, programs or projects prioritized for the construction and installation of new electrical infrastructure in interconnected rural areas, which allow expanding coverage and ensuring the satisfaction of energy demand.

NOTE 21. PROVISIONS

In the ordinary course of business, Promigas and its subsidiaries are subject to various legal regulations inherent to public utilities and environmental protection services. In the opinion of Promigas and its subsidiaries' management no situations have been identified that lead to the discovery of a possible breaches to such rules, thus producing a significant impact on the financial statements. The table below shows the nature and value of long-term loss contingencies:

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

	Administrative	Labor	Civil	Dismantling and restoration costs	Smart tool provision	Environmental compensation provision	Asset replacement provision	Provision for implicit obligations NBF quotas	Total provisions
Balance as of January 1, 2021	10,452,263	750,279	2,127,883	25,191,301	18,635,174	37,142,630	187,252,514	454,007	282,006,051
Addition of capitalized provision	-	-	-	-	-	12,263,312	10,833,295	-	23,096,607
New provisions through expenses	1,220,099	-	-	-	-	-	-	-	1,220,099
Addition existing provisions through expenses	-	258,951	-	-	-	-	-	155,488	414,439
Addition existing provisions through cost	-	-	-	-	2,278,081	-	10,395,655	-	12,673,736
Readjustment existing provisions through profit or loss	-	-	-	902,347	-	1,372,383	-	-	2,274,730
Use of provisions	-	-	-	-	(8,927)	(2,647,464)	(1,652,409)	-	(4,308,800)
Reimbursement of provisions	(528,891)	(265,010)	(344,727)	-	-	-	(2,153,587)	-	(3,292,215)
Reimbursement of provisions through cost	-	-	-	-	-	-	(498,828)	-	(498,828)
Transfer of investment plan commitment	-	-	-	-	-	-	(5,642,660)	-	(5,642,660)
Conversion adjustments of transactions in foreign subsidiaries	1,920	-	-	-	-	103,360	3,840,481	-	3,945,761
Balance as of June 30, 2021	11,145,391	744,220	1,783,156	26,093,648	20,904,328	48,234,221	202,374,461	609,495	311,888,920

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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NOTE 22. EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

Share Capital – As of June 30, 2021, and December 31, 2020, share capital was represented by 1,150,000,000 common shares, respectively, with a nominal value of one hundred pesos each. The detail of the assets is presented below:

	June 2021	December 2020
Number of shares authorized, issued and outstanding	1,134,848,043	1,134,848,043
Number of shares paid-in and subscribed	1,134,918,610	1,134,918,610
Number of shares repurchased	70,567	70,567
Paid-in and subscribed capital	\$ 113,491,861	113,491,861

Reserves – The balance of reserves is detailed as follows:

	June 2021	December 2020
Legal reserve	\$ 65,623,121	65,623,121
Reserves pursuant to bylaws	66,097,318	66,097,318
Other reserves	972,810,884	788,218,188
Total	\$ <u>1,104,531,323</u>	<u>919,938,627</u>

Legal Reserve – According to Colombian Law, the Company must transfer at least 10% of profits for the period to a legal reserve until such reserve equals 50% of the subscribed capital. This reserve is not available for allocation but may be used to offset losses.

Tax Reserve – Pursuant to article 45 of Act 75/1986, the Company created a reserve equal to 70% of the higher value of the depreciation requested as tax deduction. Such reserve may be capitalized or allocated insofar as it is released.

Reserve for Share Repurchase – In 2005, the Company created a reserve for share repurchase amounting to \$1,527,933.

Profit Allocation – Dividends are declared and paid to shareholders based on non-consolidated net profits for the immediately previous year. The dividends declared were the following:

	June 30, 2021
Date of Meeting	March 16, 2021
Net Income for the period January 1 - December 31, 2020, for distribution:	\$ 1,137,490,096
Cash dividends	
Ordinary dividends per share	\$ 21
Payment date	April 21, 2021, to March 21, 2022
Extraordinary dividends per share	\$ 105

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in thousands of Colombian Pesos, unless otherwise stated)

Payment date		April 21, 2021 and October 21, 2021
Total outstanding shares		1,134,848,043
Total dividends declared	\$	524,299,796
Reserves due to IFRS effect	\$	184,592,697
Available for future allocations	\$	428,597,603

NOTE 23. NON-CONTROLLING INTEREST

Below is the detail of the non-controlling interest in the consolidated companies:

Company	June 2021			December 2020		
	%	Interest in Equity	Interest in Earnings	%	Interest in Equity	Interest in Earnings
Surtigas S.A. E.S.P.	0.01%	76,359	6,755	0.01%	\$ 73,096	10,752
Transoccidente S.A. E.S.P.	21.00%	2,255,805	344,623	21.00%	2,590,192	665,271
Promioriente S.A. E.S.P.	26.73%	101,981,879	14,885,587	26.73%	114,531,484	21,649,519
Transmetano E.S.P. S.A.	0.33%	655,902	80,253	0.33%	680,990	131,990
Gases de Occidente S.A. E.S.P.	5.57%	18,890,214	3,756,408	5.57%	19,030,839	5,830,441
Zonagen S.A.S.	0.05%	212	(286)	0.05%	498	(573)
Sociedad Portuaria El Cayao S.A. E.S.P.	49.00%	138,997,394	7,273,581	49.00%	122,149,627	20,647,296
		<u>262,857,765</u>	<u>26,346,921</u>		<u>259,056,726</u>	<u>48,934,696</u>

NOTE 24. REVENUE

Below is the detail of revenue:

	For the six-month periods ending:		For the three-month periods ending:	
	June 2021	June 2020	June 2021	June 2020
Transport and distribution of natural gas	\$ 1,444,211,755	1,429,127,498	721,404,167	684,429,398
Generation and distribution of power	245,282,363	247,122,799	125,202,876	127,998,934
Installations and technical services	107,505,025	81,553,473	52,118,692	30,519,231
Revenue from non-bank financing	52,439,434	51,144,207	28,386,276	22,942,538
Income from concessions	393,582,863	224,952,604	287,122,206	44,825,093
Other services	175,003,003	148,345,969	90,649,347	68,610,861
Revenue hedging results	(806,355)	(15,175,351)	(1,606,376)	(14,601,202)
	<u>\$ 2,417,218,088</u>	<u>2,167,071,199</u>	<u>1,303,277,188</u>	<u>964,724,853</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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NOTE 25. COST OF SALES

Below is the detail of costs of sales:

	For the six-month periods ending:		For the three-month periods ending:	
	June 2021	June 2020	June 2021	June 2020
Employee benefits	\$ 84,237,237	75,091,246	43,493,528	37,040,534
Maintenance and materials	86,198,548	82,675,283	43,750,649	42,256,744
Fees and consultancies	14,659,535	12,102,027	6,512,194	4,471,167
General costs	967,768,500	963,402,483	482,874,125	448,904,553
Impairment	323,108	2,910,550	323,108	2,910,550
Cost hedging result	(2,043,100)	(3,721,136)	(93,542)	2,244,278
Construction of concessions	237,828,632	211,863,637	170,594,229	39,215,549
Taxes	10,522,328	13,248,401	5,727,278	8,191,978
Depreciation and amortization	131,118,918	98,389,132	67,464,150	50,482,978
	<u>\$ 1,530,613,706</u>	<u>1,455,961,623</u>	<u>820,645,719</u>	<u>635,718,331</u>

NOTE 26. ADMINISTRATIVE AND SALES EXPENSES

Below is the detail of operating expenses:

	For the six-month periods ending:		For the three-month periods ending:	
	June 2021	June 2020	June 2021	June 2020
Employee benefits	\$ 60,664,979	55,184,430	31,583,061	26,323,916
Fees	20,103,492	25,538,688	10,820,600	15,246,212
Maintenance and materials	7,457,336	6,040,649	4,092,748	3,204,269
General administrative expenses	36,961,476	32,249,316	19,157,731	14,846,255
Impairment	23,603,787	33,083,256	16,317,536	23,952,979
Provisions	(1,657,677)	(1,683,493)	(1,854,941)	(1,798,028)
Administrative taxes	27,378,528	26,850,117	13,823,506	13,098,569
Depreciations and amortizations	14,046,627	20,435,990	7,334,630	10,800,528
	<u>188,558,548</u>	<u>197,698,953</u>	<u>101,274,871</u>	<u>105,674,700</u>

The following is a breakdown of the other income and expenses:

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NOTE 27. OTHERS, NET

	For the six-month periods ending:		For the three-month periods ending:	
	June 2021	June 2020	June 2021	June 2020
Leases	\$ 380,653	347,812	197,282	173,506
Fees	521,629	490,492	291,592	271,938
Profit on sale of assets	166,000	1,241,043	88,500	1,240,320
Compensation (1)	18,178,476	8,511,496	1,860,860	7,968,323
Uses	9,150,574	8,396,397	5,190,286	5,610,017
	<u>\$ 28,397,332</u>	<u>18,987,240</u>	<u>7,628,520</u>	<u>15,264,104</u>

(1) The increase corresponds to the compensation for consequential damages recognized by Ecopetrol S.A. E.S.P. to Promisol S.A.S corresponding to the second phase of the agreement for the early termination of the gas compression contract at Ballena for USD \$4,100,000.

Below is the breakdown of other expenses:

	For the six-month periods ending:		For the three-month periods ending:	
	June 2021	June 2020	June 2021	June 2020
Donations	\$ 6,025,909	26,248,993	3,147,699	23,918,845
Loss on asset derecognition	2,222,057	1,283,093	(199,748)	372,559
Other expenses	555,585	1,056,610	375,472	341,677
	<u>\$ 8,803,551</u>	<u>28,588,696</u>	<u>3,323,423</u>	<u>24,633,081</u>
Other net	<u>19,593,781</u>	<u>(9,601,456)</u>	<u>4,305,097</u>	<u>(9,368,977)</u>

NOTE 28. FINANCE INCOME

Below is the detail of finance income:

	For the six-month periods ending:		For the three-month periods ending:	
	June 2021	June 2020	June 2021	June 2020
Interest and yields	\$ 13,460,246	14,307,123	6,471,248	8,764,568
Revenues from financial assets concession	144,457,956	132,957,912	62,818,364	59,698,624
Other finance income	4,412,414	2,999,625	2,086,359	1,709,768
	<u>162,330,616</u>	<u>150,264,660</u>	<u>71,375,971</u>	<u>70,172,960</u>

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NOTE 29. FINANCE COSTS

Below is the detail of finance costs:

	For the six-month periods ending:		For the three-month periods ending:	
	June 2021	June 2020	June 2021	June 2020
Interest on bonds issued	102,074,169	95,772,775	52,184,226	51,106,470
Interest financial obligations	22,655,835	49,593,658	11,024,773	29,710,160
Interest lease agreements	38,868,212	43,505,225	18,893,532	22,236,671
Other finance costs	14,660,184	8,368,858	4,207,269	3,017,151
	<u>178,258,400</u>	<u>197,240,516</u>	<u>86,309,800</u>	<u>106,070,452</u>

NOTE 30. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Operations with related parties: During the period ended June 30, 2021, there were no significant operations of the following characteristics:

- Free or compensated services debited to a related company.
- Loans implying an obligation to the borrower that does not correspond to the essence or nature of the loan agreement.

Below is the summary of assets and liabilities for transactions made with non-controlled companies, shareholders, legal representatives, and key management personnel as of June 30, 2021:

	Shareholders	Associates	Others related	Total
June 2021				
Assets				
Cash and cash equivalents	\$ 1,767,653	-	90,381,386	92,149,039
Investments in associates	-	778,075,165	-	778,075,165
Financial assets at amortized cost	761,745	128,930,393	107,588	129,799,726
	<u>2,529,398</u>	<u>907,005,558</u>	<u>90,488,974</u>	<u>1,000,023,930</u>
Liabilities				
Accounts payable	173,918,011	529,113	125,779	174,572,903
Outstanding bonds	76,694,404	-	-	76,694,404
	<u>250,612,415</u>	<u>529,113</u>	<u>125,779</u>	<u>251,267,307</u>
Income				
Revenue	1,154,164	29,359,458	948,286	31,461,908
Finance income	311,491	457,607	138,741	907,839
Share of profit of equity-accounted	-	122,469,585	-	122,469,585
Others, net	-	22,316	-	22,316
	<u>1,465,655</u>	<u>152,308,966</u>	<u>1,087,027</u>	<u>154,861,648</u>
Expenses				
Cost of sale	1,527,289	2,925,567	307,616	4,760,472
Selling and administrative expenses	-	6,876	85,491	92,367
Financial expenses	1,403,886	-	-	1,403,886
	<u>\$ 2,931,175</u>	<u>2,932,443</u>	<u>393,107</u>	<u>6,256,725</u>

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NOTE 31. COMMITMENTS AND CONTINGENCIES

Commitments Promigas S.A. E.S.P. - For the development of its corporate purpose, the Company and its subsidiaries have entered into the following agreements, among others:

By Public Deed No. 1629 of September 16, 1976, of the 18th Notary Public of Bogota, the Company obtained from the National government the concession to build, operate, maintain, exploit and manage a public utility pipeline for the transportation of hydrocarbons from Ballenas, Department of La Guajira, to the cities of Barranquilla and Cartagena, for an 50-year term, extendable to 20 more years. Under the terms of the concession, the National Government will have preemption right established by article 45 of the Petroleum Code for the transportation through the natural gas pipeline, by paying the current rate at the time of carrying it, for up to 20% of the daily transportation capacity of the pipeline. And has a preemption right over the transportation of these products through the gas pipeline, paying a current rate. The Company shall be obligated to sell the pipeline to the Nation, if required by the Government, upon completion of the first 30 years of the Agreement (2006), at the expiry thereof (2026) or upon termination of the extension period, under the terms provided in articles 50 and 51 of the Petroleum Code at the price agreed by the parties or based on the appraisal of an independent expert. The Company may not assign or relinquish the agreement, neither totally nor partially, without prior approval by the National Government.

In notice served to the Company on May 11, 2005, the ministry of Mines confirmed that they would not take up the purchase option that was available for 2006 over the gas pipelines under concession.

In addition, the Company has entered into another 33 concession contracts.

Agreements with customers corresponding to natural gas transportation through the pipeline systems available to the Company are in accordance with the current regulatory framework and these have the guarantees stipulated by the Company for each agreement.

The Company's management considers that there are no risks of significant losses in the future arising from the performance of these agreements and commitments.

Commitments of Gases del Pacífico S.A.C. - Maintains a letter of guarantee of US \$20.000.000 in favor of the Peruvian State for a term of one year, pursuant to the Natural Gas Concession Agreement in the Northern Zone of Peru.

Commitments of Sociedad Portuaria el Cayao S.A. E.S.P. - For the development of its corporate purpose, the Company has entered into the following agreements, among others:

Port Concession Agreement No. 001 of 2015 - The Ministry of Transport, through resolution No. 594 of March 5, 2015, indicates the terms in which the port concession would be established, to occupy temporarily and exclusively a public use area for 20 years, to develop an unloading platform, underwater gas pipelines and connections to the land pipeline connected to the National Transport System, for the import, export and cabotage of liquefied natural gas, in the department of Bolivar, district of Cartagena de Indias, in the form of public utility service. On July 17, 2015, port concession agreement No. 001 of 2015 was entered into by and between the National Infrastructure Agency and the Company.

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This agreement will not be automatically extended. It may be extended only by carrying out the procedure provided for such purpose in current regulations, not less than 12 calendar months before the date of expiry of the concession period.

The reference value of the port concession agreement is equal to the net present value of the consideration, which corresponds to US \$3.931.493 payable during 20 years with annual installments. Payment must be made in Colombian pesos.

Agreements with Thermoelectric Companies - On October 29, 2014, the Company signed agreements with Zona Franca Celsia S.A. E.S.P., Termobarranquilla S.A. E.S.P., and Termocandelaria S.C.A. E.S.P. (the Customers) in order to provide services for access to and use of port infrastructure for the reception, storage, regasification of liquefied natural gas (LNG) and gas conduction and delivery at the Inlet Point into the National Transportation System (TUA Agreements). To fulfill said purpose, the Company must design, construct, operate and maintain the Terminal in accordance with the terms established in said contracts.

The annual fixed revenues of US \$82,500,000, which will be paid in 12 equal installments, allocated according to the percentage share of each customer. This revenue corresponds to all investment costs, fixed costs of administration, operation and maintenance, and other costs relative to the Terminal and the provision of services. This revenue also includes the acquisition and maintenance of LNG Heel in the Terminal.

In addition, there is a variable revenue that corresponds to all variable costs of administration, operation (including fuel and electricity), maintenance and other costs relative to the Terminal and the provision of services, such as LNG cargo services on gas tankers from the Terminal, which will be charged monthly according to the terms set out.

The commercial operation start date was December 2016. The TUA Agreements are valid for ten (10) years until November 30, 2026. At the Customers' discretion, the TUA Agreement can be extended once, giving 4-year notice before the date of its expiry, for the term agreed by the parties, otherwise the extension will be of 5 years. In the event that the Company, for any reason, cannot provide the gas delivery service or causes the Customer to declare itself before the Wholesale Power Market Administrator as unavailable to generate electric power, the Company must pay the Customer for each KPC nominated and not delivered at the inlet point into the NTS the equivalent of US \$2 per KPC for the number of hours unavailable over 24 hours. The Company will be exempt from paying this fine as long as the event is an exemption event. Said fine shall not exceed US \$12,000,000 per contract year. Further, in the event that the Company fails to comply with its unloading obligation, or the actual unloading time exceeds the time provided, the Company must compensate the Customer for any damages incurred arising from the event up to a point in time US \$8,000,000 per event. The Company will be exempt from the payment of this fine as long as the event is due to an exemption event or force majeure.

Other Agreements - On November 1, 2014, the Company signed with HOEGH LNG FSRU IV LTD an International Lease Agreement - ILA on a Floating Storage and Regasification Unit - FSRU "Hoegh Grace," which has an annual value during the term of the agreement of US \$40,809,000 and allows a purchase option in year 10 of US \$425,798,487. On that same date, the Company signed with HÖEGH LNG HOLDINGS LTD. An Agreement for the Provision of Operation and Maintenance Services with respect to the FSRU. Both agreements have a 10-year term from the date of acceptance of the FSRU (03/12/2016). The cumulative

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limit of liability, borne by the Company, arising from the agreement, extracontractual civil liability (including negligence) or arising out of the law, for both agreements is USD \$100,000,000. Additionally, both agreements contain a provision that in the event of non-compliance, the party in compliance can terminate the respective agreement.

Commitments of Gases de Occidente S.A. E.S.P. - The Company established an irrevocable Commercial Trust Agreement for Trust Resources Management with Corficolombiana S.A., related to the GNCV Bond Program, from 2010. Said agreement completed the agreed term and a new irrevocable Commercial Trust Agreement for Trust Resources Management was created with Corficolombiana S.A., as provided in the Bond Conversion Agreement CNG-IV (signed on March 21, 2017 (signed on March 21, 2017 and ending date July 31, 2019), for which a new bond conversion Agreement CNG V was signed (signed on August 1, 2019, until November 30, 2021) referred to as cooperation agreement to Encourage the Transportation, Marketing, Distribution and Consumption of Compressed Natural Gas for Vehicles, which assigns Gases de Occidente S.A. E.S.P. as administrative operator.

Commitment of Compañía Energética de Occidente S.A. E.S.P.: By virtue of the Management Agreement signed with CEDELCA S.A E.S.P., Compañía Energética de Occidente S.A. E.S.P. undertook, among others, to execute an investment plan for the expansion, replacement, and improvement of infrastructure for the development of marketing and distribution services, in the market of CEDELCA S.A. E.S.P. The investment includes management improvement projects (loss reduction and maintenance, user and asset census and project development survey), aimed at providing the service in accordance with the law.

The Investment Plan has a defined amount that is estimated at current prices by means of adjustment techniques to the net present value. The TES (Public Debt Securities issued by the General Treasury of the Nation) is used as the discount rate. Changes in the provision are recognized as a result of changes in the discount rate and the CPI. The provision utilization corresponds to the projects carried out according to the commitment acquired with CEDELCA S.A. E.S.P.

Commitments of Surtidora de Gas del Caribe S.A. E.S.P. - For the development of its corporate purpose, the Company has entered into the following agreements, among others:

- a. Natural gas supply agreements with Empresa Colombiana de Petróleos (Ecopetrol), Frontera Energy, CNE oil & gas, Hocol and Lewis, and gas transportation agreements with Promigas S.A. E.S.P. These agreements are in accordance with the regulatory framework, and their terms of duration range from one to five years, and the necessary and sufficient guarantees for the performance and stability of the agreements have been executed.
- b. Agreements with industrial users and power generating companies with consumptions greater than 100,000 cubic feet per day, under wellhead gas trading and natural gas transport capacity of customer. These agreements are in accordance with the regulatory framework and their terms of duration conform to the trading period determined by current regulations, and the necessary and sufficient guarantees for the performance and stability of the agreements have been executed. The Company's management considers that there are no significant risks of losses expected in the future as a result of the performance of these agreements and commitments.

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The Company's management considers that there are no significant risks of losses expected in the future as a result of the performance of these agreements and commitments.

Contingencies

As of June 30, 2021, the following individual litigations and lawsuits are filed against the Company. Their quantities are determined by the claims and are not recognized in the provisions, given that the lawyers handling each process consider that the success likelihoods of such claims are classified as eventual:

	June 2021	
	Number of claims	Value
<i>Litigations and lawsuits against</i>		
Easement claims:		
From \$1 to \$1,000	18	4,020,150
From \$1,001 onward	2	5,138,039
Easement	<u>20</u>	<u>9,158,189</u>
Ordinary processes:		
From \$1 to \$1,000	29	7,858,455
From \$1,001 to \$3,000	7	10,617,890
From \$3,001 onward	3	13,111,061
Ordinary	<u>39</u>	<u>31,587,406</u>
Labor	<u>18</u>	<u>34,083,111</u>
Total processes	<u>77</u>	<u>74,828,706</u>
<i>Contingency rights</i>		
Contingency rights		
Litigations and lawsuits	13	119,434,838
Total	<u>13</u>	<u>119,434,838</u>

In the course of its operations, Promigas and its subsidiaries are subject to several legal regulations pertaining to public utilities and environmental protection companies. Management considers, based on legal opinions, that there have been no situations that may indicate possible breaches to those standards and leading to significant impacts on the financial statements.

NOTE 32. INFORMATION BY SEGMENTS

Information by segment is structured according to the different lines of business of Promigas and its subsidiaries. The lines of business described below were established according to the organizational structure of the Company, considering the nature of services and products offered. The structure of this information is designed as if each line of business were an autonomous business and had its own separate

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resources, allocated based on the assets assigned to each line according to an internal system of percentage distribution of costs.

The Company's operating segments are structured as follows:

Natural gas transport	Integrated solutions for the industry and power generation	
Promigas S.A. E.S.P.	Promisol S.A.S.	
Promioriente S.A. E.S.P.	Zonagen S.A.S.	
Transmetano E.S.P. S.A.	Energía Eficiente S.A. E.S.P.	
Transoccidente S.A. E.S.P.		
Sociedad Portuaria el Cayao S.A. E.S.P.		
Promigas Panamá Corporation		

Natural gas distribution	Electrical energy distribution	Non-bank financing
Surtigas S.A. E.S.P.	Compañía Energética de Occidente S.A. E.S.P.	Compañía Energética de Occidente S.A. E.S.P.
Gases de Occidente S.A. E.S.P.		Gases de Occidente S.A. E.S.P.
Gases del Caribe S.A. E.S.P.		Surtigas S.A. E.S.P.
Efigas S.A. E.S.P.		Gascaribe S.A. E.S.P.
Gases de la Guajira S.A. E.S.P.		Gases de la Guajira S.A. E.S.P.
Gas Natural de Lima y Callao S.A.C.		Efigas S.A. E.S.P.
Gases del Pacífico S.A.C.		
Orion Contac Center S.A.S.		
Enlace Servicios Compartidos S.A.S.		
Promigas Peru S.A.		

Below are the assets, liabilities, and results by segment:

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	Gas transport	Gas distribution		Distribution and sale of energy	Integrated solutions for the industry	Non-bank financing	Total	
		National	Abroad					Total
June 2021								
Assets	<u>7,857,266,237</u>	<u>2,255,792,873</u>	<u>2,725,779,621</u>	<u>4,981,572,494</u>	<u>599,114,977</u>	<u>166,950,328</u>	<u>445,635,948</u>	<u>14,050,539,984</u>
Liabilities	<u>5,957,729,535</u>	<u>1,291,470,936</u>	<u>1,525,839,111</u>	<u>2,817,310,047</u>	<u>506,657,868</u>	<u>65,804,073</u>	<u>12,874,702</u>	<u>9,360,376,225</u>
June 2021								
Revenue	682,240,128	986,348,762	434,759,023	1,421,107,785	245,146,826	15,357,590	53,365,759	2,417,218,088
Cost of sales	(241,447,825)	(804,960,383)	(257,893,152)	(1,062,853,535)	(182,931,289)	(26,780,668)	(16,600,389)	(1,530,613,706)
Gross income	440,792,303	181,388,379	176,865,871	358,254,250	62,215,537	(11,423,078)	36,765,370	886,604,382
Sales and administrative expenses	(67,703,971)	(62,505,896)	(37,566,685)	(100,072,581)	(16,338,422)	(4,062,049)	(381,525)	(188,558,548)
Share of profit of equity-accounted investees, net of tax	84,258	57,954,039	64,431,288	122,385,327	-	-	-	122,469,585
Dividends received	-	456,146	-	456,146	-	-	-	456,146
Others, net	12,499,512	119,126,272	(77,651,854)	41,474,418	(14,293,333)	4,795,080	(24,881,896)	19,593,781
Operating profit	385,672,102	296,418,940	126,078,620	422,497,560	31,583,782	(10,690,047)	11,501,949	840,565,346
Financial revenues	124,999,515	25,021,208	9,261,216	34,282,424	1,813,324	338,208	897,145	162,330,616
Financial expenses	(128,737,474)	(18,899,505)	(23,726,845)	(42,626,350)	(6,591,827)	(302,749)	-	(178,258,400)
Exchange difference	(14,277,908)	(268,841)	(405,044)	(673,885)	(449,305)	15,244,659	-	(156,439)
Income before income tax	367,656,235	302,271,802	111,207,947	413,479,749	26,355,974	4,590,071	12,399,094	824,481,123
Income tax	(101,228,065)	(36,333,561)	(42,259,919)	(78,593,480)	(11,853,864)	(4,459,602)	(4,398,564)	(200,533,575)
Net income	<u>266,428,170</u>	<u>265,938,241</u>	<u>68,948,028</u>	<u>334,886,269</u>	<u>14,502,110</u>	<u>130,469</u>	<u>8,000,530</u>	<u>623,947,548</u>

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NOTE 33. EVENTS OCCURRED AFTER THE REPORTING PERIOD

As of the date of issue of the condensed consolidated interim financial statements as of June 30, 2021, there are no subsequent events that require adjustments or disclosures on said financial statements.