

# PROMIGAS

INVESTOR DAY



April 29, 2021

# Disclaimer



Promigas, S.A., E.S.P. (“Promigas”) is a bond issuer in Colombia, registered in the National Registry of Securities and Issuers. Thus, the company is subject to compliance with applicable securities regulations in Colombia; in addition, Promigas is committed as IR ISSUER of the BVC, and has adopted high standards of corporate governance, risk management and criteria to identify, manage and reveal conflicts of interest, also applicable to its affiliate companies.

Promigas is governed mainly by Act 142/1994, which sets out the Regime for Residential Public Services, CREG Resolution 071/1999, which in turn sets out the Unified Regulations for Natural Gas Transportation - (RUT) in Colombia, as amended, the regulations of the sector, the concession contracts in force, its bylaws and other provisions stated in the Code of Commerce.

The consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 (IAS 34) - Interim Financial Reporting, contained in the Accounting and Financial Reporting Standards accepted in Colombia (NCIF, for its Spanish abbreviation), set out in Act 1314/2009, regulated by Unified Regulatory Decree 2420/2015, as amended by Decrees 2496/2015, 2131/2016, 2170/2017, 2483/2018 and 2270/2019. The NCIF applicable in 2019 are based on the International Financial Reporting Standards (IFRS), together with their interpretations, issued by the International Accounting Standards Board (IASB); the basic rules correspond to those officially translated into Spanish and issued by the IASB in the first half of 2017.

It should be noted that for legal purposes in Colombia, the main financial statements are the separate financial statements.

This report may include forward-looking statements. In some cases, these forward-looking statements may be identified with words such as "can," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential" or "continue" or the opposite of these and other comparable words. The results may be different from those included in this report, as a result of any changes to the current circumstances in general, economic and business conditions, changes in interest and exchange rates and other risks described from time to time in our filings in the National Registry of Securities and Issuers.

The recipients of this document are responsible for the evaluation and use of the information provided by this means. The issues described in this presentation and our knowledge on them may change considerably and materially over time; however, we expressly declare that we will not be required to review, update or correct the information provided in this report, including forward-looking statements, and that we do not intend to provide any updates for such material events before our next results report.

The content of this document and the figures included are intended to provide a summary of the topics covered rather than a full description.

# Agenda

**Juliana Vergara**

IRO

**Eric Flesch**

President & CEO

**Alejandro Villalba**

VP of Operations and Innovation

**Ricardo Fernández**

VP of Transportation

**Wilson Chinchilla**

VP of Distribution

**Natalia Abello**

VP Legal & Sustainability

**Aquiles Mercado**

CFO

**5 Minute Break**

**Q&A**





**A Disciplined and Return-Focused  
Long-Term Investor in Energy, with  
a High level of Social Awareness**

**Eric Flesch**

President & CEO



PROMIGAS



Promigas Introductory Video

# Promigas at a Glance

Value proposal for our stakeholders

Conservative **financial policy** with strong commitment to maintain investment grade profile.

- Strong and stable local AAA rating (20 consecutive years).
- Baa3 by Moody's for the last 2 years and rated BBB- by Fitch for the last 10 years. Stable outlook by both Moody's and Fitch.
- Stable investment grade ratings at the subsidiaries level.

Regulated Monopoly essential for the energy matrix in **Colombia and Peru.**

Profitability and highly predictable and stable cash flows.

**Disciplined and focused growth:** Return as a main criteria for expansion.

Strong liquidity and **financial flexibility.**

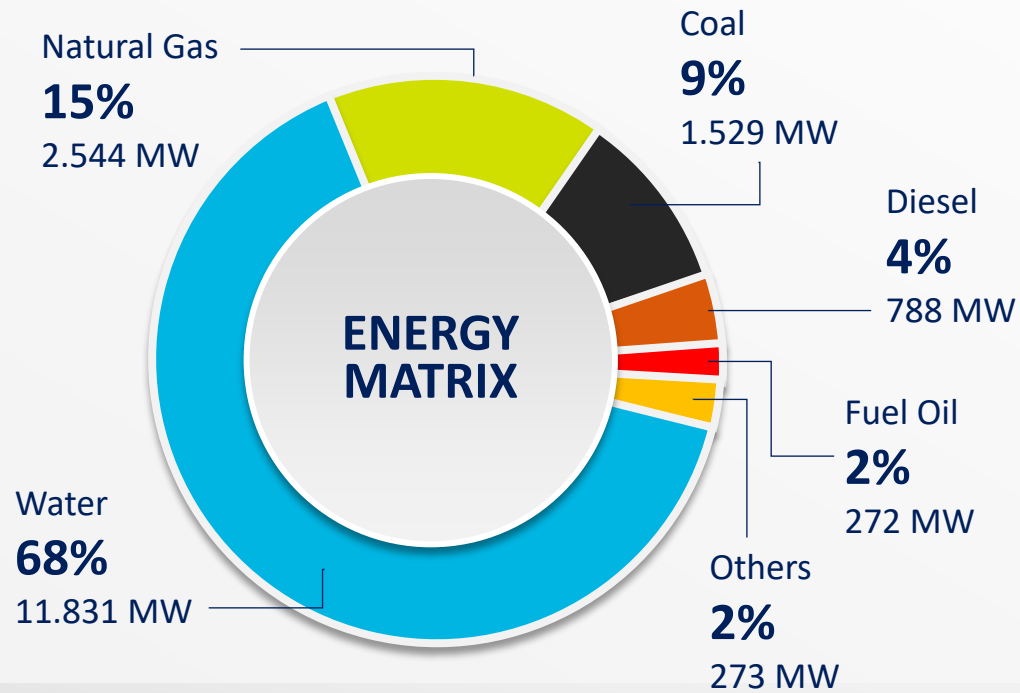
Long-term investor with a **high level of social awareness,** and strategic partner for developing energy markets.

**Access to liquidity** through local and international issuance in capital markets.

Comprehensive management with a **sustainable approach.**



# Colombia, An Example for Other Countries in the Region

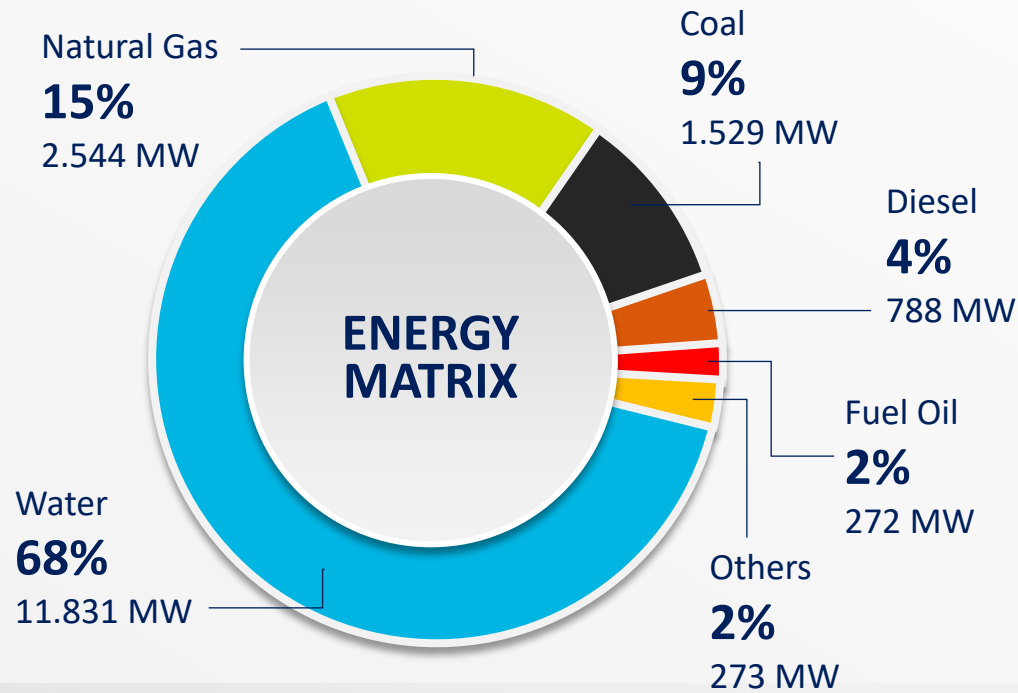


Better for the  
environment



Natural gas plays a **key role** in the **energetic transition** that aims to incorporate solar and wind renewable energies.

# Colombia, An Example for Other Countries in the Region



Better for the environment



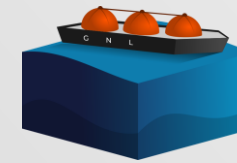
## RESERVES

8.1 Years

Remaining Reserve Life

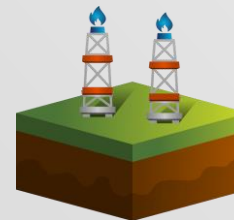
Deficit  
January 2024

## SUPPLY ALTERNATIVES



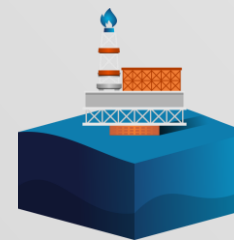
### LNG IMPORTATION

- SPEC LNG (400 MSCFD) + Contract extension and capacity expansion
- Buenaventura LNG Plant (2024)



### ON SHORE FIELDS

- Potential reserves: +24 TSCF
- Fracking (Pilot Research Projects)



### OFF SHORE FIELDS

- Caribbean and Pacific Coast
- Potential reserves: +30 TSCF
- Expected exploitation (2025-2028)

Natural gas plays a **key role** in the **energetic transition** that aims to incorporate solar and wind renewable energies.

**Promigas**, plays a fundamental role as the closest alternative to supply country's gas deficit in the short and medium term.

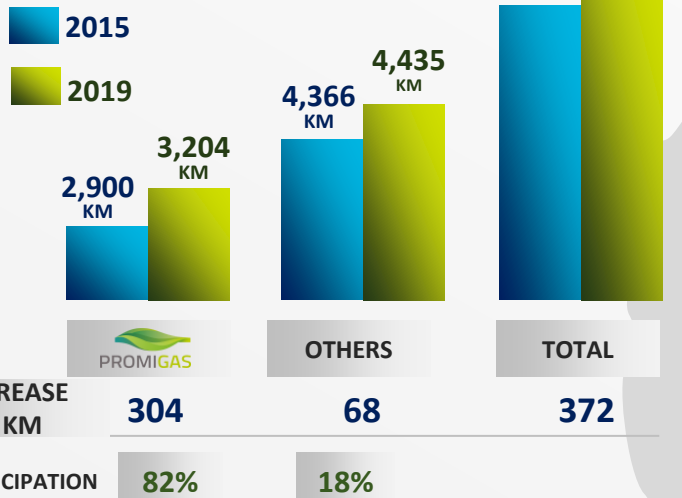


# Colombia, An Example for Other Countries in the Region



## TRANSPORTATION

### Gas Pipeline Network



**USD \$473 MM**

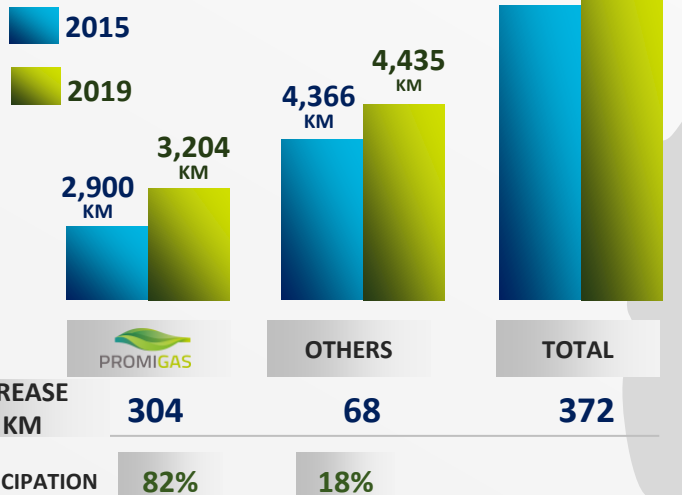
Promigas Investment (last 5 years) contributing an **82%** to the growth of gas infrastructure in the country.

# Colombia, An Example for Other Countries in the Region



## TRANSPORTATION

### Gas Pipeline Network



**INCREASE X KM**

PROMIGAS	304	68	372
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**PARTICIPATION**

PROMIGAS	82%	18%	
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**985 MSCFD**

Transported Volume

**48%** PROMIGAS

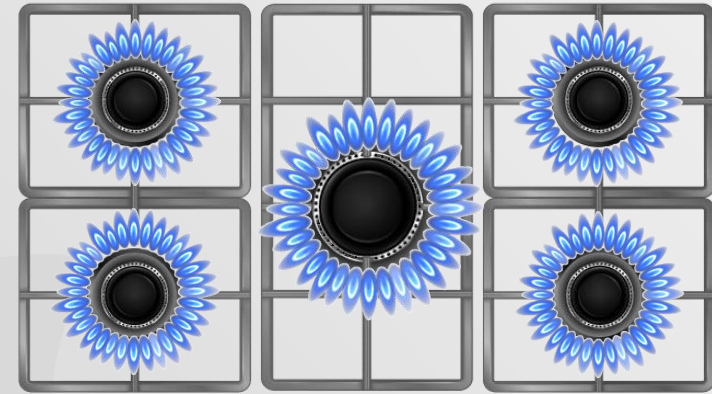


## DISTRIBUTION

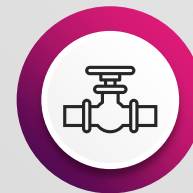
**10.4 MM**  
USERS



**750** *67% Country*  
MUNICIPALITIES  
SERVED



**930 MSCFD**  
CONSUMPTION



**86%**  
SOCIAL LEVEL 1,2,3

**USD \$473 MM**

Promigas Investment (last 5 years) contributing an **82%** to the growth of gas infrastructure in the country.

Promigas distributes to **38%** of Colombians.

# Peru, A Country Committed to Natural Gas Growth



## RESERVES

**22.4 Years**

Remaining Reserve Life



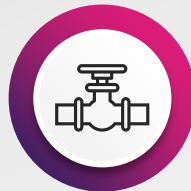
**Highest R/P  
Factor in LATAM**

Peru is gifted with a considerable amount of natural resources.

75% probability that total reserves will become proven reserves, increasing the remaining reserve life to **30 years**.

## DISTRIBUTION

**1.1 MM**  
USERS



**1,230 MSCFD**  
CONSUMPTION

Promigas, becoming a leader of natural gas based on Distribution Synergies, Affordability and CNG.

## TRANSPORTATION

**GAS PIPELINE  
NETWORK**

**1,567 KM**

**TRANSPORTED  
VOLUMEN**

**1,207  
MSCFD**

**DISTRIBUTED  
VOLUME**

**7 MSCFD**

**VIRTUAL  
ACCUMULATED CAPACITY**

**16 MSCFD**



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CONSUMPTION

## TRANSPORTATION

**GAS PIPELINE NETWORK**

1,567 KM

**TRANSPORTATION VOLUME**

1,200 MSCFD

**DISTRIBUTION VOLUME**

**VOLUME AVAILABLE**

## COVERAGE

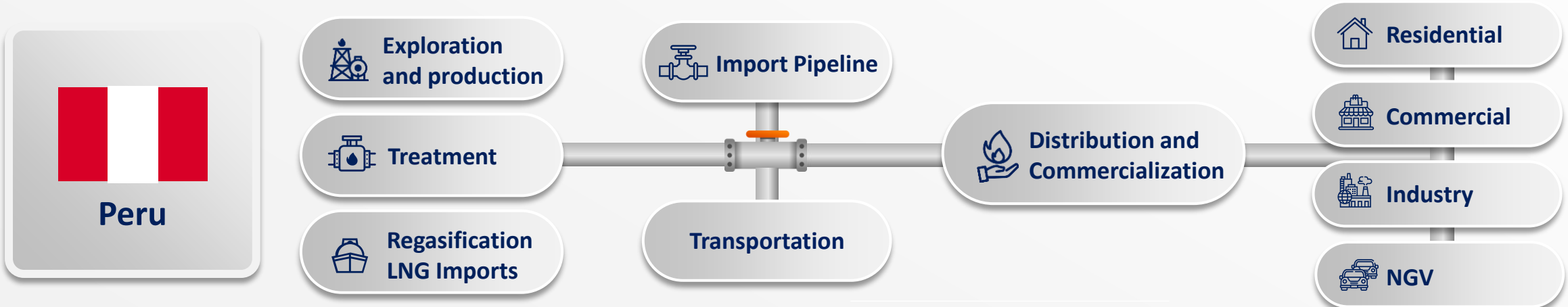
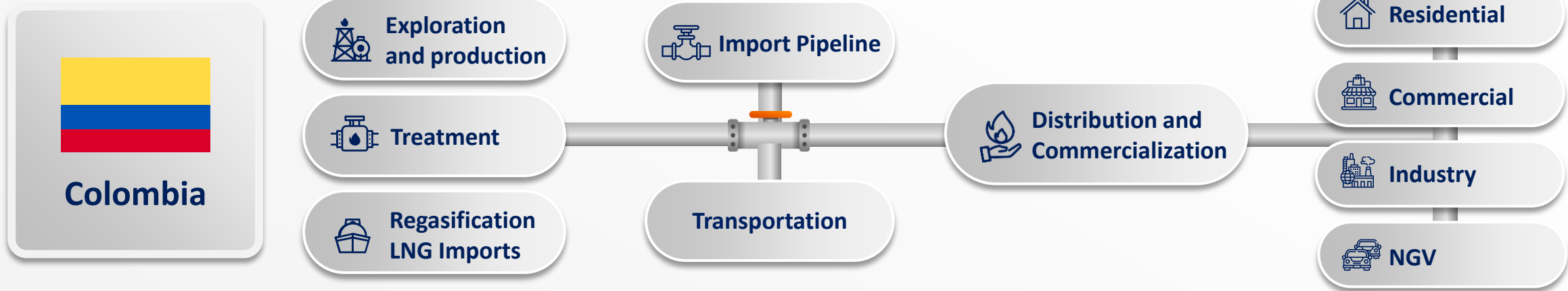


Promigas, becoming a leader of natural gas based on Distribution Synergies, Affordability and CNG.

# Promigas, from a Pure Transmission Company to an Energy Holding



1. Active across relevant segments of the industry.
2. Operating in the low volatile parts of the industry.
3. Critical to Colombia's energy sector

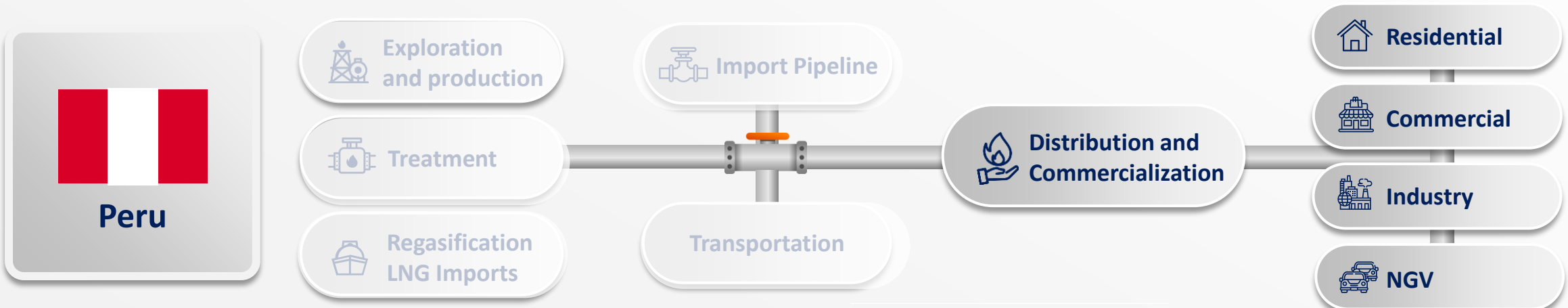
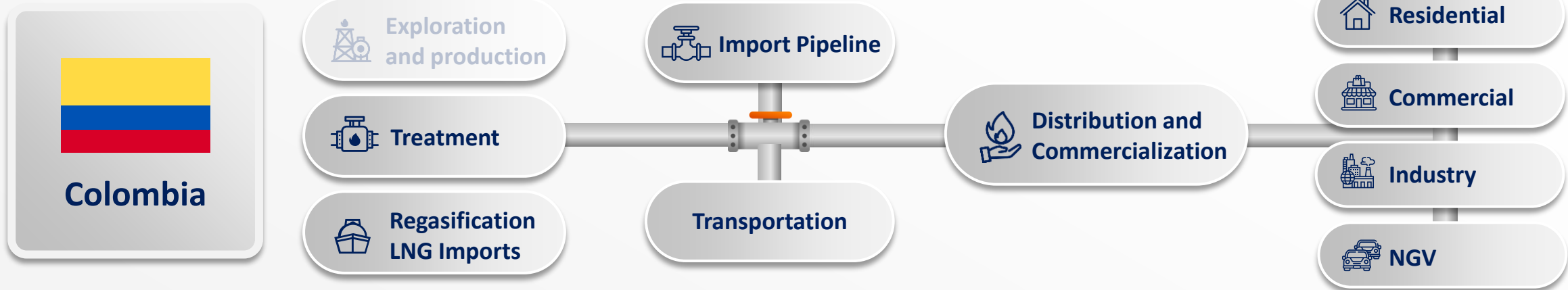


1. Active since 2007 in the Peruvian natural gas distribution industry.
2. Critical as strategic partner for the Peruvian government's objective of massifying natural gas.

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# Strong Competitive Position in Colombian & Peruvian Energy Matrix

## Our Footprint: Natural Gas Transportation



We transport

**48%** of the natural gas in Colombia

**3,292 KM** in gas pipelines



Only regasification plant in Colombia with a 400 MSCFD capacity.

We support

**22%** of the electrical energy generation in the country



Added value services

Gas treatment capacity:

**35 MSCFD**



**21**

COMPANIES



**3,328**

EMPLOYEES



**2**

COUNTRIES



# Strong Competitive Position in Colombian & Peruvian Energy Matrix

## Our Footprint: Natural Gas Distribution



We distribute natural gas to

**5 MM** users

(38% Colombia, 93% Peru)



We contribute with the improvement of life quality of more than

**3.7 MM** of users, mainly from social level 1, 2 and 3.

• **15%** contribution of the EBITDA of our LDC'S



**21**  
COMPANIES



**3,328**  
EMPLOYEES



**2**  
COUNTRIES





# Strong Competitive Position in Colombian & Peruvian Energy Matrix

## Our Footprint: Power Distribution and Generation



Electric energy to more than  
**400,000** users in  
Colombia



We reached  
**15.5 MWp**  
of Solar Energy Capacity

**21**  
COMPANIES

**3,328**  
EMPLOYEES

**2**  
COUNTRIES



A vertical blue-tinted image on the left side of the slide showing a worker in a hard hat and safety gear, possibly in an industrial or construction setting.

# Our Performance

# How We Responded to COVID-19 Pandemic



**100% Normal Operation**



**HR**

**73%**

**1.693\***  
HOME OFFICE

**27%**

**626\***  
FIELD/OFFICE WORK

*\* Direct employees*



**Prevention Strategy**

Biosafety protocols, covid-19 test plans, safe facilities.



**Financing Strategy**



**Customer Support**

Financing to users of the 1, 2, 3 and 4 social level.



**Support to the Community**

# Promigas Met 2020 Targets Despite Challenges Posed by COVID-19 Pandemic, Confirming Our Value Proposal

## RESILIENCE



We guarantee

**100%** of reliability in our services through times of COVID-19.



Compliance

**133%** Budget 2020

Net Income: **US\$331 MM**



COVID-19 Donations

**US\$6.4 MM**

- Strengthening of healthcare system in Colombia and Peru.
- +122.400 humanitarian aids.



Definition of Corporate

**Strategy** and beginning of its implementation.

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**Definition of Corporate Strategy** and beginning of its implementation.

## CONSOLIDATION



Incursion of  
**Brilla**  
(Quavii).



**100%**  
Acquisition of  
**GASCOP.**



**We increased our presence in Peru**  
by consolidating our operating model with the incorporation of synergies.

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## OPERATIONAL ACHIEVEMENTS



Ministry of Technological Science and Innovation granted a recognition to Promigas as the **first company in the Oil&Gas sector in Colombia with a unit of I+D+i.**



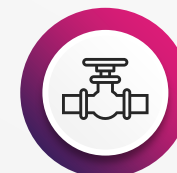
Completion of the **100 MSCFD**

**Project.** +50 MSCFD of capacity, with efficiency and operating optimizations.



**SPEC Regasification Record**

Maximum volume regasified since the beginning of the operation: **214 MSCFD** with 58% of the year days operating.



**Open season** Jobo – Transmetano pipeline.

# We Keep Our Commitment to Create Value for All Stakeholders

## Government Sector



**US\$425 MM**

Paid in the last 5 years

- Effective income tax rate 2020: **20%**
- Other taxes and contributions: **16%**

## Financial Institutions



**US\$ 124 MM**

Financial Expenses 2020

**80% COP | 20% USD**

## Customers



**1st Place**

Chamber of Commerce surveys

## Suppliers



**94%**

Of the purchases come from **LOCAL SUPPLIERS**

## Corporate Government



**Model of corporative government subsidiaries**

Concrete guidelines for interaction and functioning of the subsidiaries board meetings

## INNOVATION

Innovation strategy is lead from our **CENTER FOR RESEARCH AND INNOVATION IN ENERGY AND GAS.**

Future projects to produce and gradually integrate renewable gases (**BIOMETHANE, BIOSNG, AND GREEN HYDROGEN**) in our portfolio.

Development of **STATE-OF-THE-ART DIGITAL TECHNOLOGIES** for operational, technical and administrative process. (augmented reality, robotic process automation, digital platforms, and artificial intelligence).

**INNOVATION ACCELERATION PLAN  
2021-2025**



## SUSTAINABILITY

We are recognized by both local and international prestigious organizations for our **COMMITMENT TO SUSTAINABILITY**

**PROMIGAS ESG VISION IS ALIGNED WITH ELEVEN UN SDG's**

- Respect for Human Rights
- Climate Impact Reduction
- Human Capital Safety and Development
- Interaction with Our Communities

**STRONG CORPORATE GOVERNANCE STANDARDS**, that reinforce the execution of our strategic objectives.

**FUNDACIÓN PROMIGAS STRATEGY** unifies the diverse efforts of companies in the group, generating synergies and maximizing social impact.





## Our Goals



**Diversification of 50%**  
of the income by approaching new geographies and businesses different to gas infrastructure in Colombia.



**Growth in net income**  
and expected return for our investors.



### **Recognition**

from our customers as best company of energy services in countries where we operate.



Leaders in  
**sustainability and innovation.**



**PROMIGAS**



*Our robust transport, gas distribution, electric energy and regasification infrastructure will be at service in Colombia and Peru to support the reconstruction of the economy post-covid. During 2021, we will make our best effort to control those variables identified as critical because of their impact in 2020.*

*Using dynamic models of planning and simulation in continuous feedback exercise caused by volatility, our efforts will be focused on the mitigation of their impact, and in obtaining the best results for our shareholders and interest groups.*

**RESILIENCE AND PLANNING ARE OUR BEST TOOLS TO FACE THE CHALLENGES THAT WE HAVE ESTABLISHED.**





**Innovation is  
our Specialty**

**Alejandro Villalba**  
VP of Operations and Innovation



**PROMIGAS**



**Operations Introductory Video**

# Strong and Reliable Transportation and Distribution System



99.86%

Service continuity



3,292

Kilometers



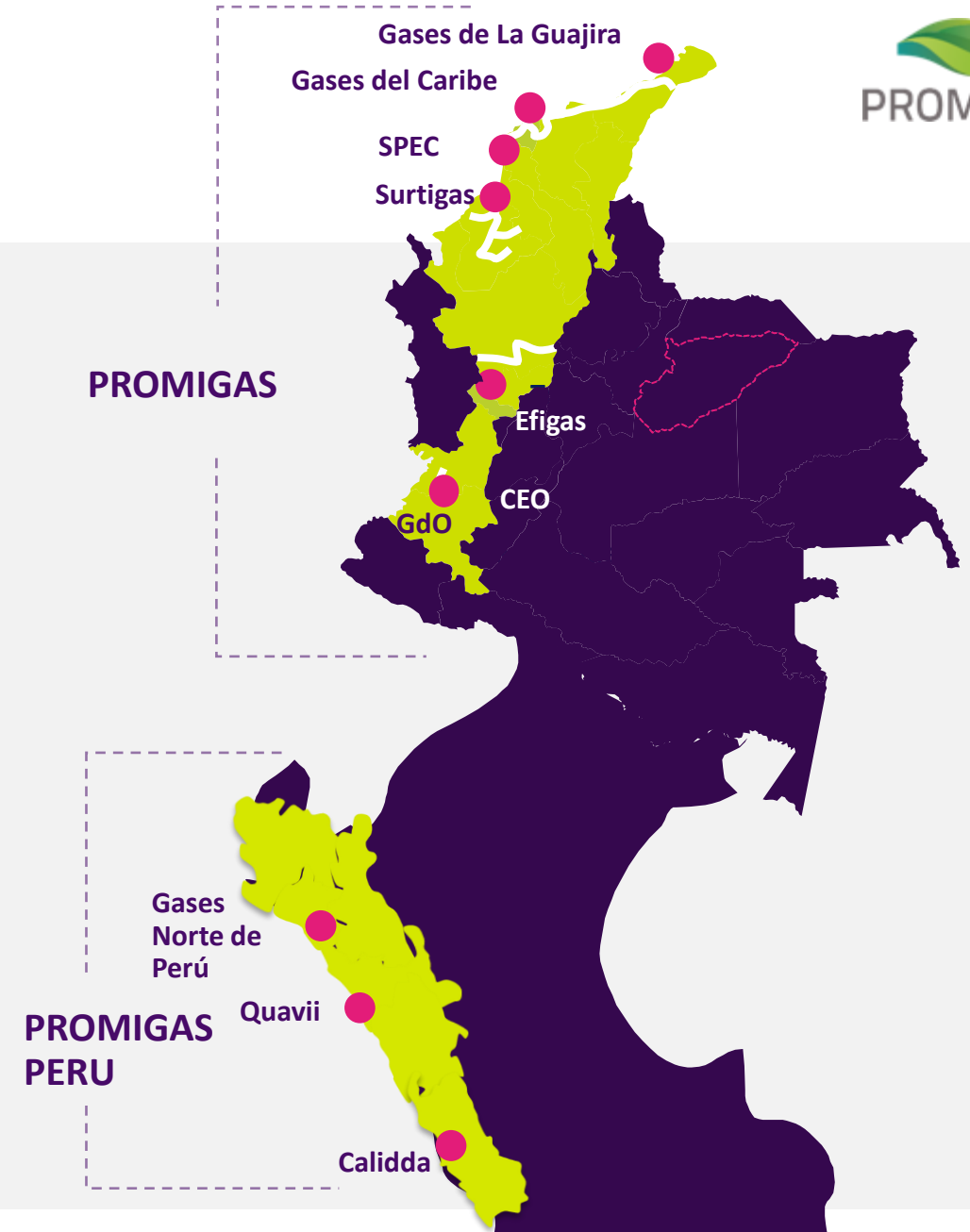
1,153

MMSCFD

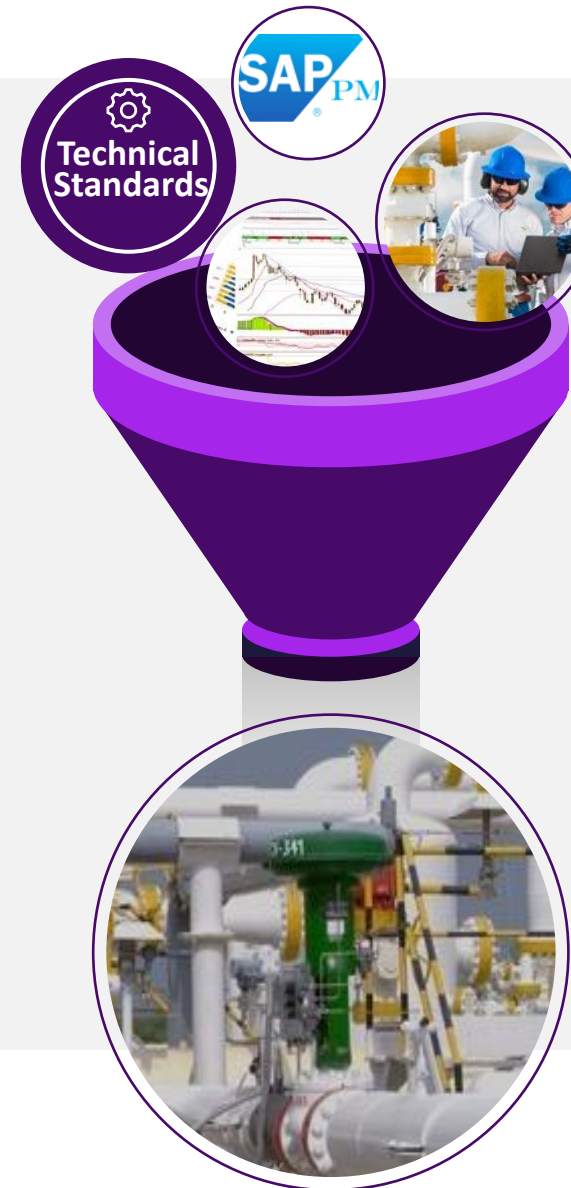
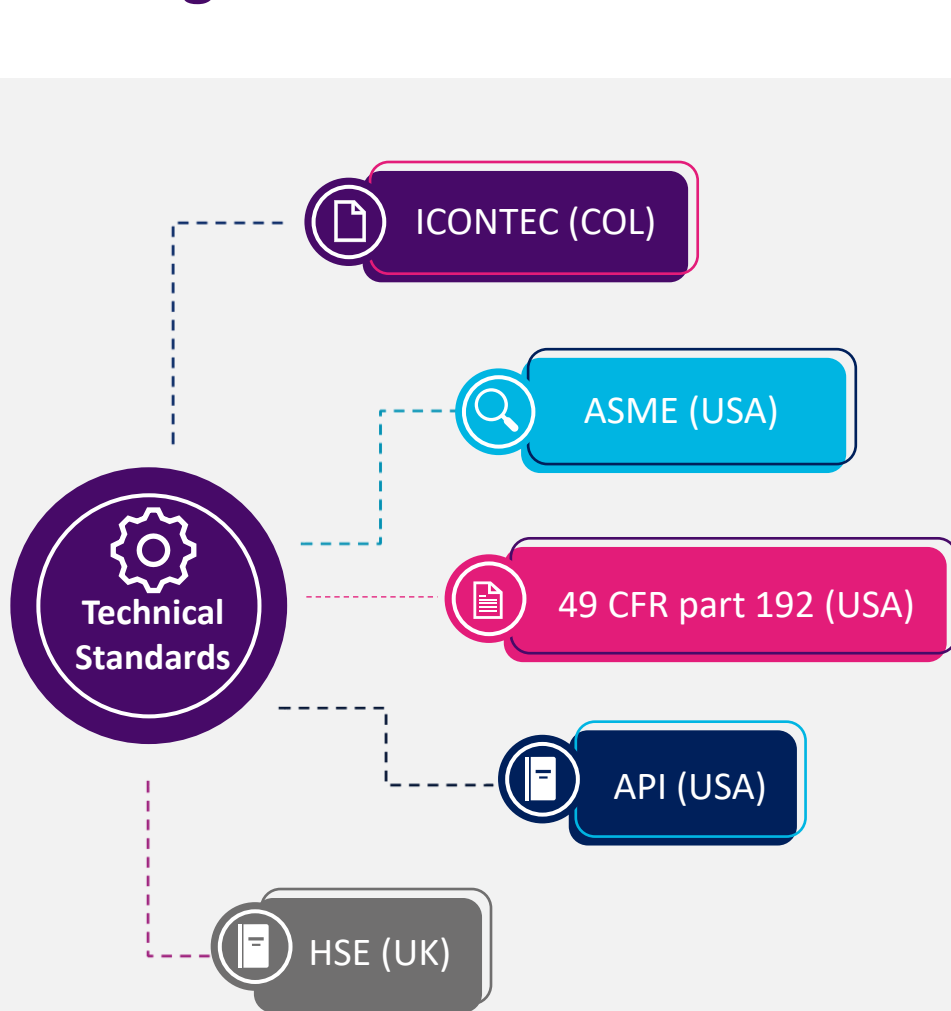


5

Million users



# We Comply With Strict National and International Integrity Management Standards



# Ensuring a Safe Operation and Reducing Incidents As a Result of State-of-the-art Processes and Technologies



Guarantee a **safe and reliable** system operation



Reduce possible adverse effects on **employess, community and enviroment**



Efficient allocation of resources for **prevention, detection and mitigation** activities



**Pipeline Integrity** : Infrastructure's permanent capability to transport natural gas in a safely manner, without the presence of leakage or rupture.

# Generating Superior Operational Results



**Transmission Gas Losses**  
(Annual Average)



**Total Transmission System O&M Spending**  
(USD 000)

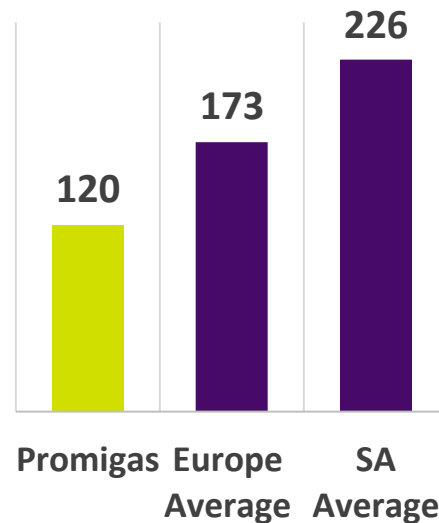
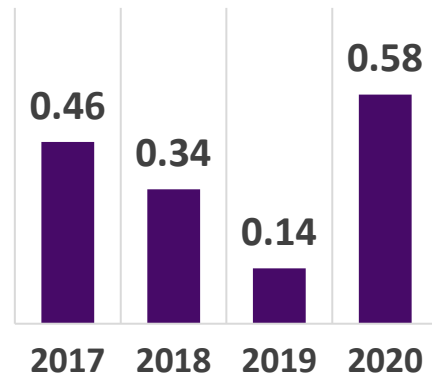


**Dispatching Spending**  
(USD 000)

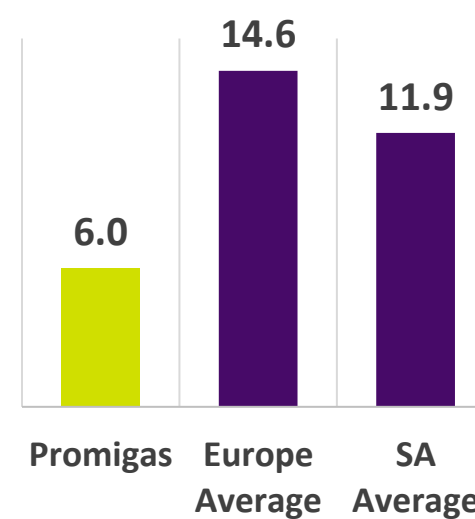


**Maintenance Spending**  
(USD 000)

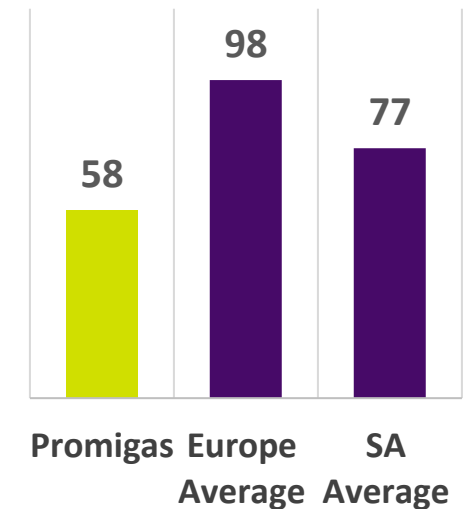
Regulatory limit = 1.00%



Source: Juran Benchmarking



Source: Juran Benchmarking

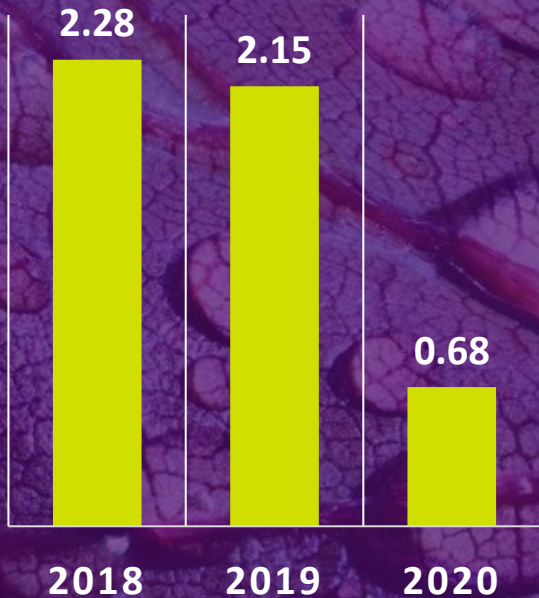


Source: Juran Benchmarking

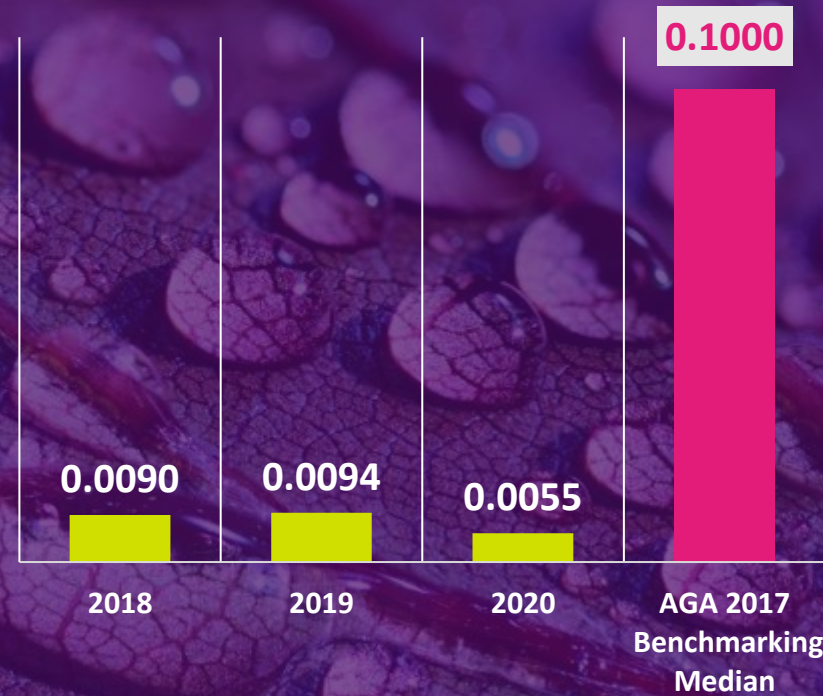


# Achieving High Levels of Service Continuity: over 99.8% at the Corporate Level

### Lost Time Injury Frequency Rate (LTIFR)



### Strengthening System Integrity Leaks per mile



**LTIFR: Lost Time Injury Frequency Rate**  
LTIFR=  $\frac{\text{Lost time injuries} \times 200,000}{\text{Total Hours worked}}$

# We Build World Class Challenging Projects



Dique Sur Platform

Dique Norte Platform

3.4 km HDD with 16", 112 mt under

**Longest** Horizontal Direct Drilling in Latin America  
8<sup>th</sup> longest of the **world**



○ María La Baja & Arjona Municipalities, Department of Bolívar



# We Invest in Infrastructure Improvement, Expansion and Optimization

**In 2020 we expanded our transportation capacity by 20% (150 MMSCFD)**

Total enlargement of

- 220 km in pipelines
- 23,400 HP in compression
- 4,000 temporary jobs in communities

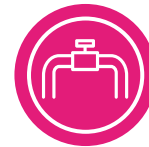


# We Will Almost Double Our CAPEX In New Infrastructure Improvement, Optimization and Expansion Investment in 2021



## Planned Projects

Planning 14 future construction projects



## Ongoing Constructions

Developing 6 different construction projects on 2021



## 5 new Projects

Pre-feasibility stage



## Total Capex 2021

**USD \$ 306**  
Millions

(2020: USD \$ 160  
Millions)

# Our R&D and Innovation Center creates an Ecosystem that promotes Growth and Improvement for our People and our Business



El conocimiento es de todos

Minciencias



GLOBAL INNOVATION MANAGEMENT INSTITUTE



First Latin-American company certified by the Global Innovation Management Institute.



First Colombian Oil & Gas company with an R&D and Innovation Unit recognized by the Ministry of Science, Technology.



**10**

Million USD R&D+I Expenditure in 2020



**26**

Million USD R&D+I Revenue and Savings in 2020



**114**

Full-time Equivalent Personnel for R&D+I Projects and Activities In 2020

# Innovation Builds a Bridge For Our Business Towards a Sustainable And Exciting Future

## Innovation Driver

We innovate to build a sustainable future where our energy services keep promoting our customers success.

## Innovation Strategic Objectives



Diversify our portfolio to enhance customer experience and value delivered



Make our business sustainable by developing new offerings based on low and zero carbon energy



Achieve Operational Excellence by increasing safety, efficiency, and flexibility in our operations.

# Our Priority Areas for Product and Service Innovation Include Distributed Generation and Renewable Gas

Priority Areas for Product and Service Innovation



Distributed Generation



Energy Districts



Energy Recovery



Hybrid Energy Generation



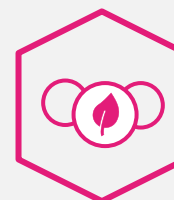
New energy sources for DG



Renewable Gases



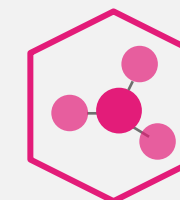
Biomethane



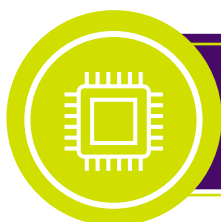
BioSNG



Hydrogen

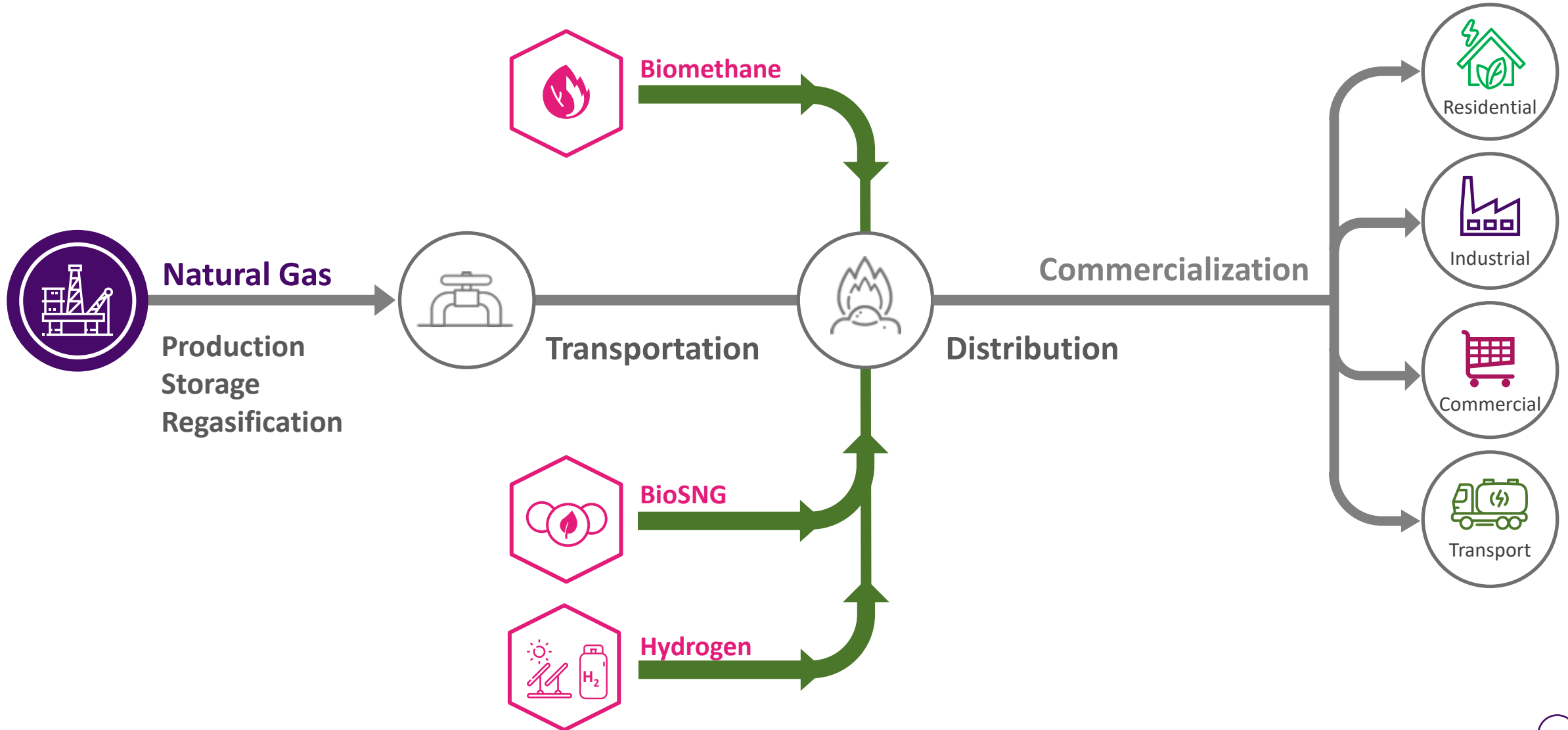


Ammonia



**Key Enabler:** Digital Technologies and Data Science


# We are Working to Make our Natural Gas Greener





# We are Working to Expand Our Renewable Power Operations

Andasol Power Plant  
Granada, Spain



**Promigas** was awarded a USD\$649,310 grant from USDA to study the feasibility of a CSP-based solar heat business in Colombia. **Worley** and **Advisian** have been selected as contractors.



In solar thermal  
power plants,  
large mirrors  
concentrate direct  
solar radiation



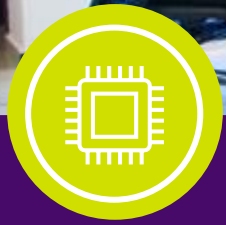
Andasol Solar Plant  
Granada, Spain



**PROMIGAS**



## **Augmented Reality Video: The Future of Our Operation**



**Reliability, operational efficiency and innovation are our business leverage**





# Capturing the Full Value of Our Midstream Natural Gas Expertise

**Ricardo Fernández**

VP of Transportation

*Gas Transportation, LNG and Industrial Services*



PROMIGAS




Transportation Introductory Video

# Promigas is The Largest Privately Owned Midstream Gas Company in Colombia with the Longest Track Record in Latin America



## Natural Gas Transmission

PROMIGAS PROMIORIENTE TRANSMETANO TRANSOCCIDENTE	PIPELINES <b>+3.200 KM</b>	CAPACITY <b>+1.100 MCFD</b>
	<b>42%</b> OF COLOMBIA'S INFRASTRUCTURE	TRANSPORTS <b>50%</b> COLOMBIA'S GAS



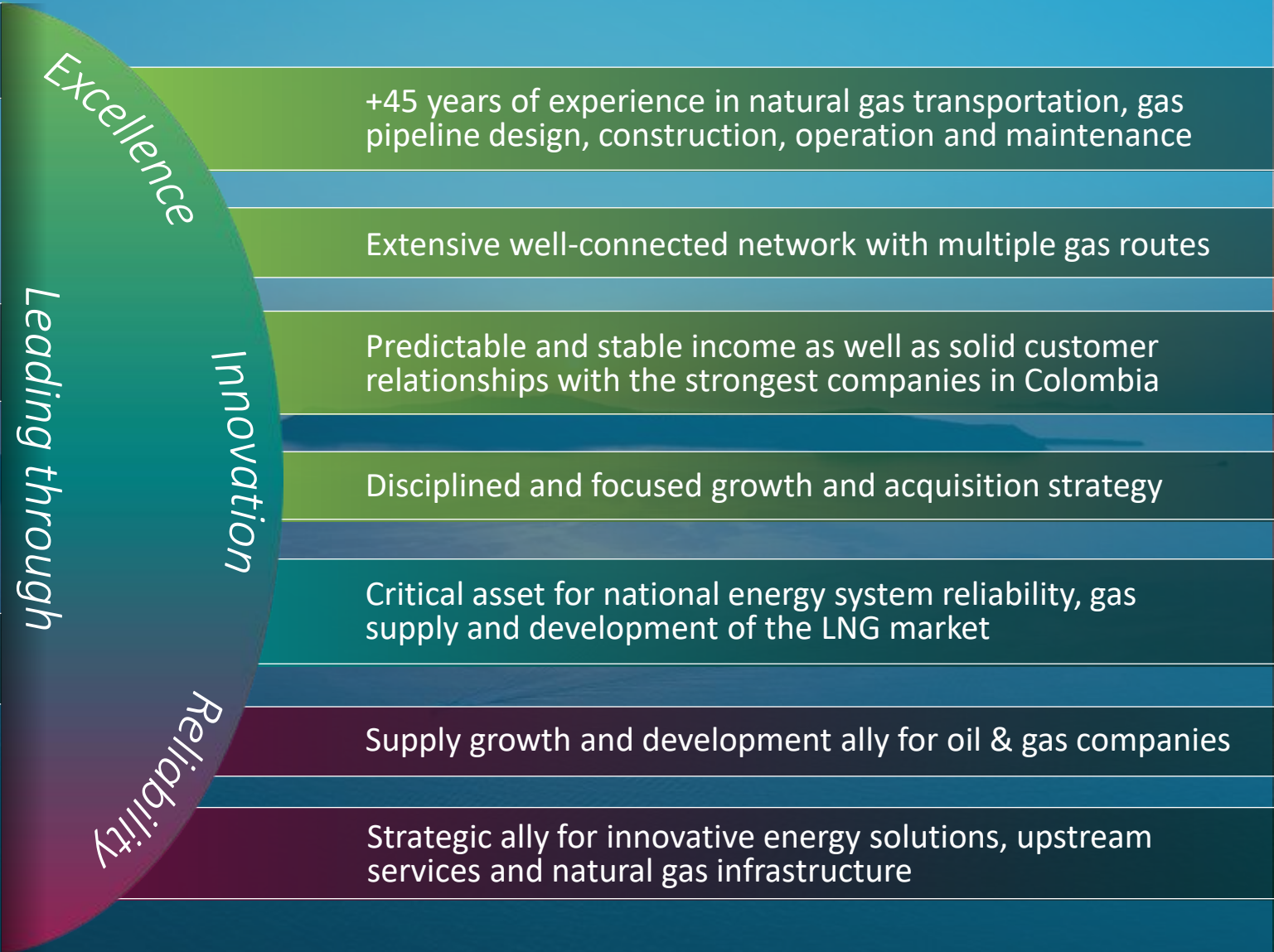
## LNG Regasification

SPEC LNG	REGASIFICATION CAPACITY <b>400 MCFD</b>	STORAGE CAPACITY <b>170.000 M<sup>3</sup></b>
	SUPPORTS <b>2000 MW</b> THERMAL GENERATION CAPACITY	



## Industrial Services

PROMISOL	GAS TREATMENT CAPACITY <b>35 MCFD</b>	AUTO / COGENERACIÓN CAPACITY <b>47 MW</b>
	PIPELINE MAINTENANCE <b>2.756 KM</b>	KM OF PIPELINE CONSTRUCTION <b>368 KM</b>



# Long-Term Investments in an Extensive and Well Connected Network, Guaranteeing Access to a Stable and Diversified Gas Supply

**New supply context:** Traditional main fields declining, new discoveries in the southern part of Promigas system

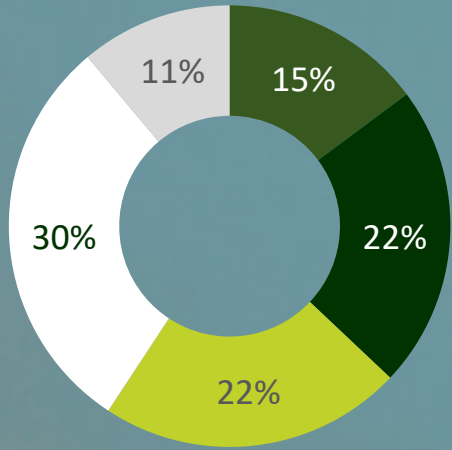
**US\$450MM** invested since 2016 to increase capacity and reverse the traditional gas flow to connect **195 MCFD** from new gas fields that represent **40%** of 2020 demand, backed by long term contracts



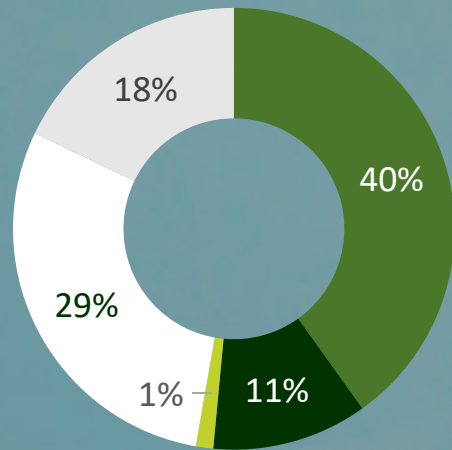


# Our Natural Gas Transmission Business Unit Generates Predictable and Stable Income from Clients Who are Leaders in Their Industries and Have Solid Financial Ratings

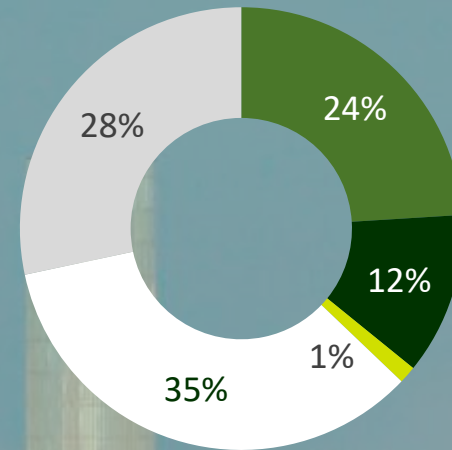
Customer by Type  
YTD 2021



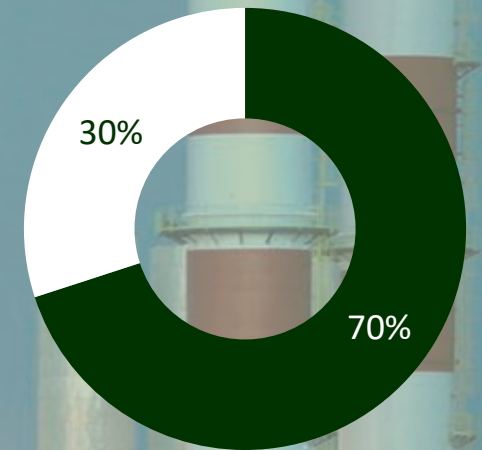
Capacity by Customer Type  
YTD 2021



Revenue by Customer Type  
YTD 2021



Revenue by Type  
YTD 2021



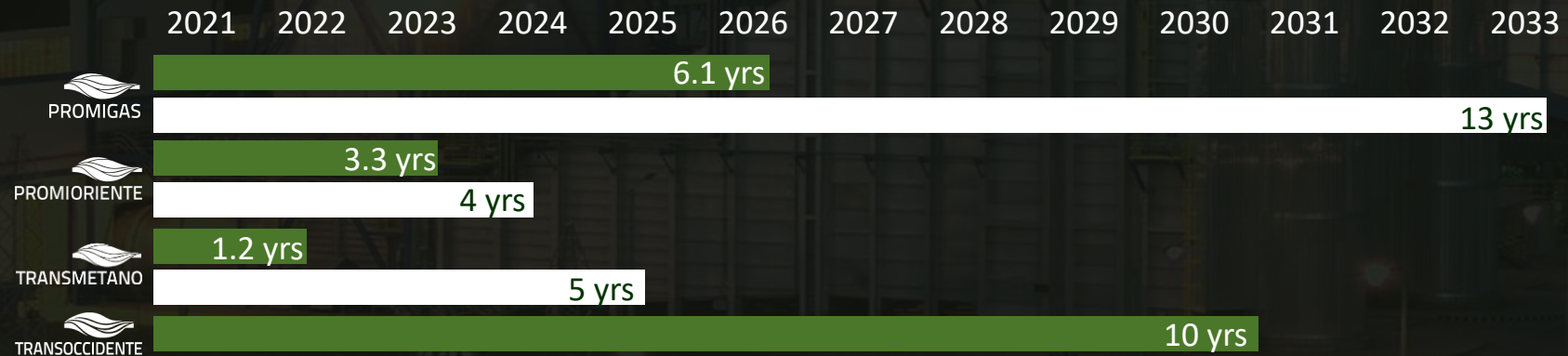
█ LDCs
█ Traders
█ Industries
█ Thermal power plants
█ Gas Producers
█ Fixed (Take or pay)
█ Variable

**68%** Capacity Contracted

Some of our clients:

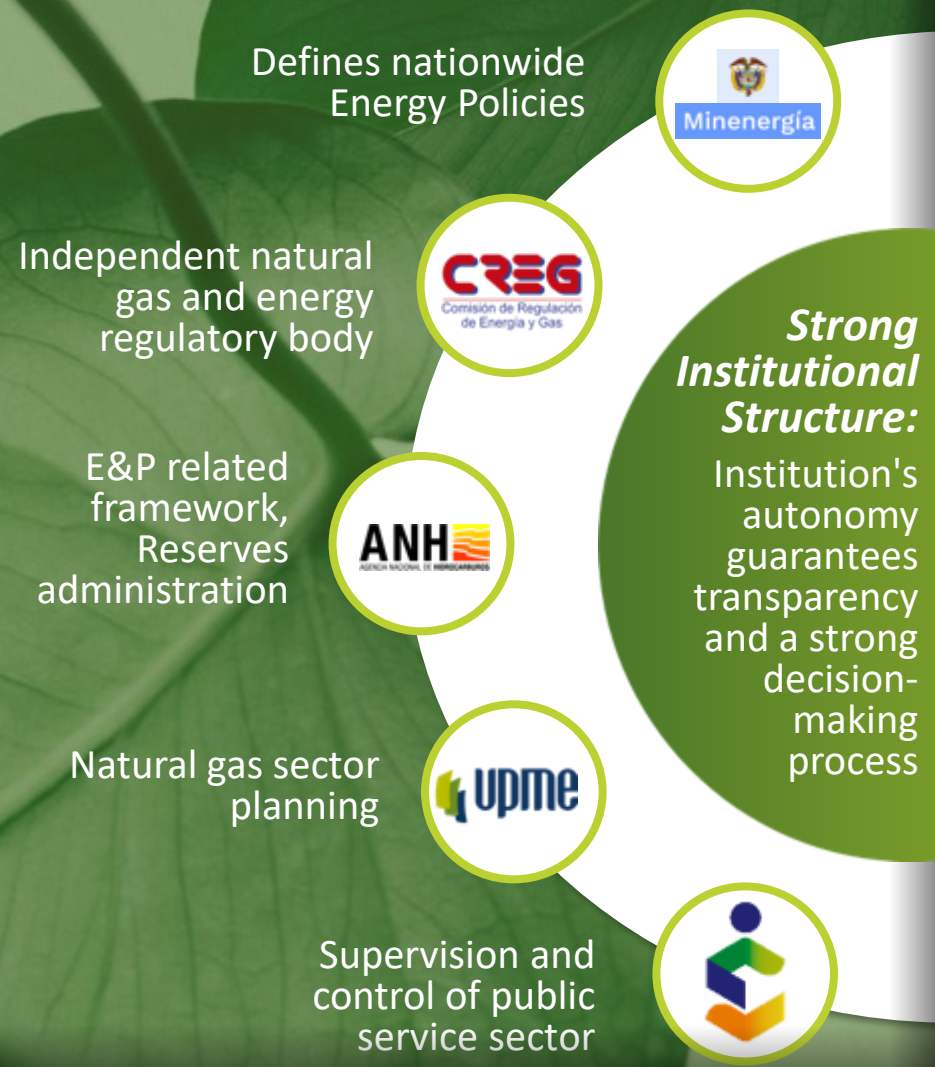


**5-year** Average contract term



█ Average contract term
█ Longest term contracts

# Stable Cash Flows are Also Backed by a Highly Developed and Stable Regulatory Framework



## Tariff Methodology Key Factors

Tariff Methodology Key Factors		Tarrif Components	
Price Cap	Contract Carriage	Capex	Actual rate base 5 years projection
Long-Distance tariffs		Opex	20 year efficient expenses
Pair of charges (% fixed –% variable)	Demand	WACC	~ 11% - 14%, real terms before taxes

## Current Tarrif Process



Tarrif Methodology key factors remain

Main discussions	Methodology gradual application Regulatory useful life: Disappearing rate base (Common practice in other countries) and projected investments 2026: Entry-Exit, Common Carriage Methodology
------------------	---



SPEC  
LNG

Sociedad  
Portuaria  
El Cayao



SPEC LNG Regasification Plant Video



Sociedad Portuaria El Cayao

# SPEC LNG is the Only LNG Import Regasification Terminal in the Country and Colombia's Connection Point With the International LNG Markets

4

Years of operation

170.000 m<sup>3</sup>  
LNG storage capacity

400 MCFD  
Regasification capacity



PROMIGAS

51%



Vopak

49%

Strategic shareholders for LNG market development

**Critical role** for the **national energy system reliability**, ensuring the supply of natural gas or 2,000 MW of electricity generation

### Potential to expand capacity:

- Complement local gas & ensure supply for the projected deficit
- Provide additional LNG services

100%

Contracted Capacity until Dec 2026

Take-or-Pay capacity charge represents ~ 95% of current total revenue

3

Clients  
40% of national daily energy demand

48,4%



28,1%



23,5%



LNG Importer



**Strategic location:**  
**proximity to international LNG markets**



# Promigas Will Continue Investing in the Connectivity of Our Network by Closing the Loop in the Pipeline System, Reversing Flows and Expanding SPEC LNG

*Increases capacity and ensures supply maintaining the leadership of the natural gas revolution in Colombia*



*SPEC LNG expansion*

Up to  
~800  
MCFD

LNG as a complement for domestic gas ensuring supply in the mid and long term



*Cartagena Ballena pipeline*

170  
MCFD

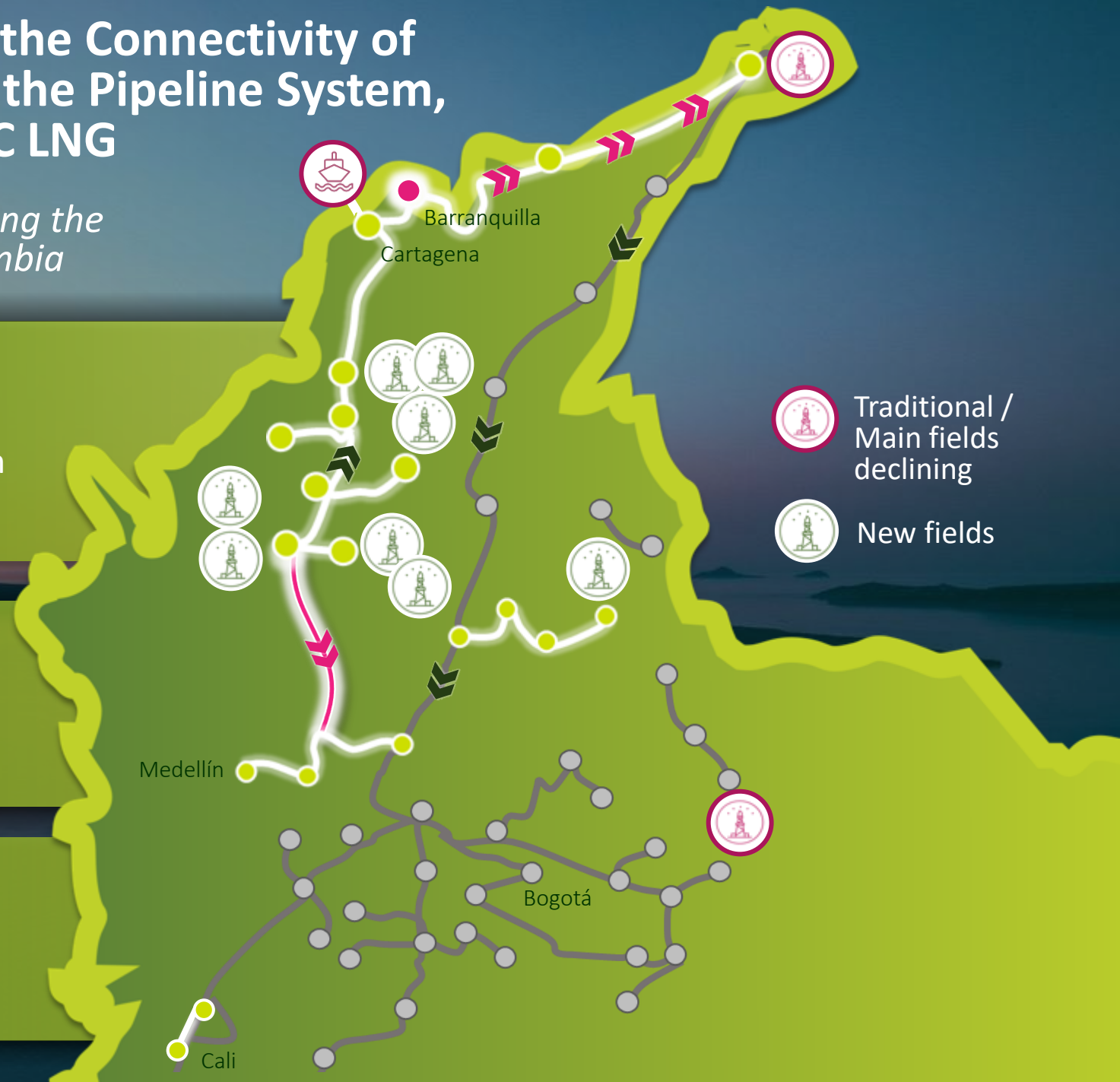
Reverse flow from Cartagena guaranteeing gas supply in Interior region from SPEC



*Jobo - Transmetano pipeline*

100  
MCFD

Integrate regional markets (Coast & Interior) and connect new gas fields in VIM area



Traditional /  
Main fields  
declining



New fields



PROMISOL

*Leveraging our strong customer base and expertise in building and operating natural gas related assets, Promisol provides natural gas treatment services, energy solutions and construction and maintenance of gas pipelines services*

**Our clients are key players in the Oil & Gas and Industrial sectors:**



Gas Treatment Services from wellhead to transmission pipelines

Gas producer's **key partner** to enable new gas supply

**15 years experience** treating more than 520 MCFD of natural gas

12-Year contract with Hocol's Bonga and Mamey treatment plant (35 MCFD)



Construction and maintenance of natural gas pipelines

Construction of more than **368 kms of pipelines** in the last 4 years, including the longest horizontal drilling river crossing in Latin America

**Maintenance of 2,756 kms of pipelines**, including services to compressor stations and industrial facilities



Energy Solutions Generation and cogeneration

Operation of **40MW cogeneration plants** in Mamonal's Industrial Cluster, contributing to the industry's reliability and sustainability

**7 MW of distributed generation**, unique in Colombia with 13 clients connected to a more reliable and competitive independent network

*Promigas plans to continue growing by further leveraging its expertise to expand and diversify its value added: Replicating its successful business model in Colombia and in selected Latam geographies*



### Industrial Services



Gas Treatment: New gas fields in the VIM region

Pipeline Construction: New pipelines in the Magdalena region for Promigas and Producers during 2021 - 2022

Energy Solutions: Generation and cogeneration projects in Antioquia and Atlántico that represent more than 25 MCFD of new gas demand

Diversify Industrial Service portfolio in Perú



### Natural Gas Transportation



Additional 100 MCFD in Gibraltar-Barranca pipeline that will make viable the injection of new gas prospects in the Piedemonte region

Diversify participation in Brazil (M&A) and Ecuador (greenfield)



PROMIGAS



PROMIORIENTE



TRANSMETANO



TRANSOCCIDENTE



Sociedad Portuaria El Cayao



PROMISOL



### LNG Services



SPEC expansion: Connect Colombia with international LNG market

LNG tank truck loading bay to develop the LNG market in Colombia for the transportation sector and non-interconnected gas markets

LNG break bulk operations in the Caribbean and Central America  
Potential oportunites to create new small and medium-sized LNG terminals in Ecuador and Caribbean



**OUR GOAL IS TO CONTINUE APPLYING  
OUR INNOVATION CULTURE** to adapt to  
shifts in supply and demand, staying  
flexible, dynamic and selective in the  
pursuit of business opportunities inside  
Colombia and Latin America



An aerial photograph of a large dam and reservoir. The water in the reservoir is a deep blue, and the surrounding landscape is rugged and rocky. A concrete dam structure is visible, with a long concrete spillway extending from it. The sky is a clear, bright blue. A semi-transparent blue overlay covers the left side of the image, containing white text.

# Promigas is a Growing Player in Gas and Electric Utilities in Latin America

**Wilson Chinchilla**  
VP of Distribution

# Committed to the Expansion of Clean Gas and Electric Utilities in Latin America



**Customers**  
**+ 5.4 MM**  
*94% Residential*



**Gas Sold**  
**10.9 bn m<sup>3</sup>**  
*69% Peru | 94% MS*  
*31% Col | 38%MS*



**Energy Demand**  
**996 GWh**  
*Cauca*



**Brilla Loans**  
**2007-2020**  
**USD 1.13 Bn**



**Solar Projects**  
**15.7 MW**  
*21 plants in operation*  
*30 under construction*



**Reach**  
**955 locations served**  
*Pipelines: 64,938 km*  
*Electric lines: 27,982 km*



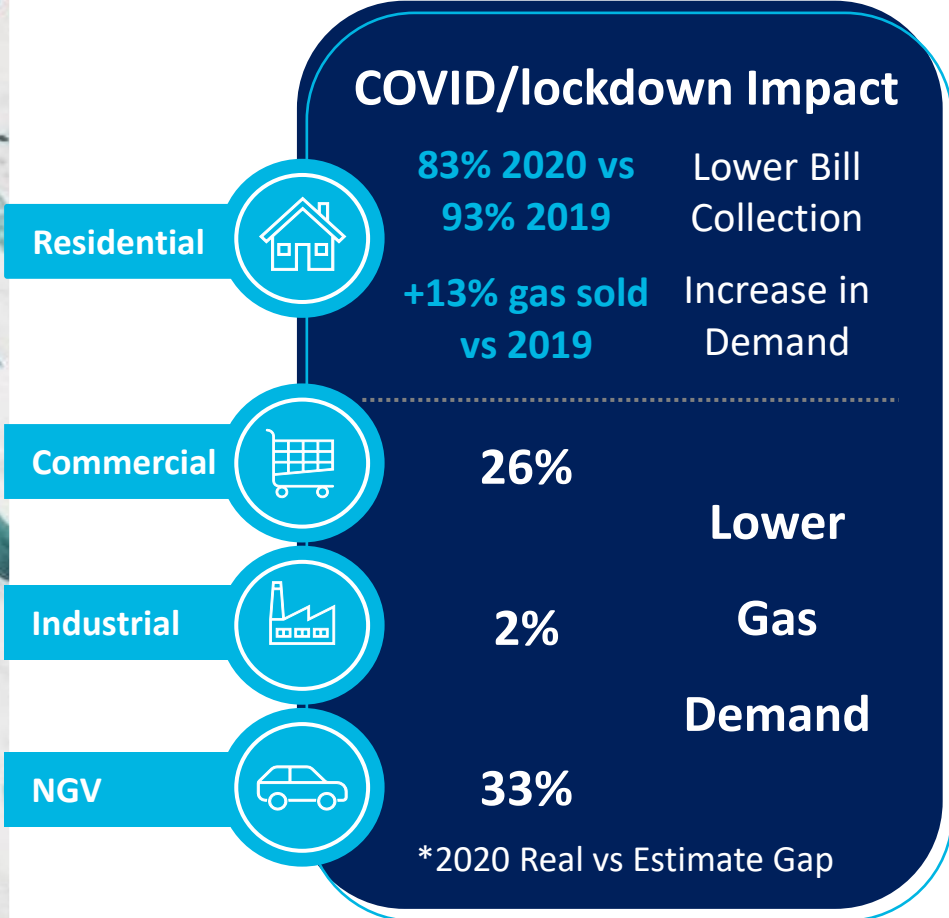
**11 Utilities + 2 Countries + 2,754 Employees = ONE TEAM**



# Promigas Met 2020 Targets Despite the Challenges Posed by the COVID Pandemic



## COVID/lockdown Impact



## AOM Expenses



Promigas' LDCs granted discounts and relief to over 2 MM customers

# Our Distribution Strategy is to Maximize the Potential of Current Initiatives While Exploring New Opportunities in The Region



## Natural Gas Distribution

- Accelerating our growth in Peru, reaching residential penetration similar to Colombia's
- Boost LNG fueled mobility
- Explore opportunities in Ecuador, Mexico, Brazil and others

## Brilla: Non-Bank Financing

- Maximize Brilla potential
- New value proposition focused on a digital ecosystem with new channels and offering new products



## Energy Services

- Acknowledged as a main competitor in Colombia and Peru, offering comprehensive solutions for:
  - Auto & Cogeneration
  - Solar & Thermal districts
  - Energy Efficiency

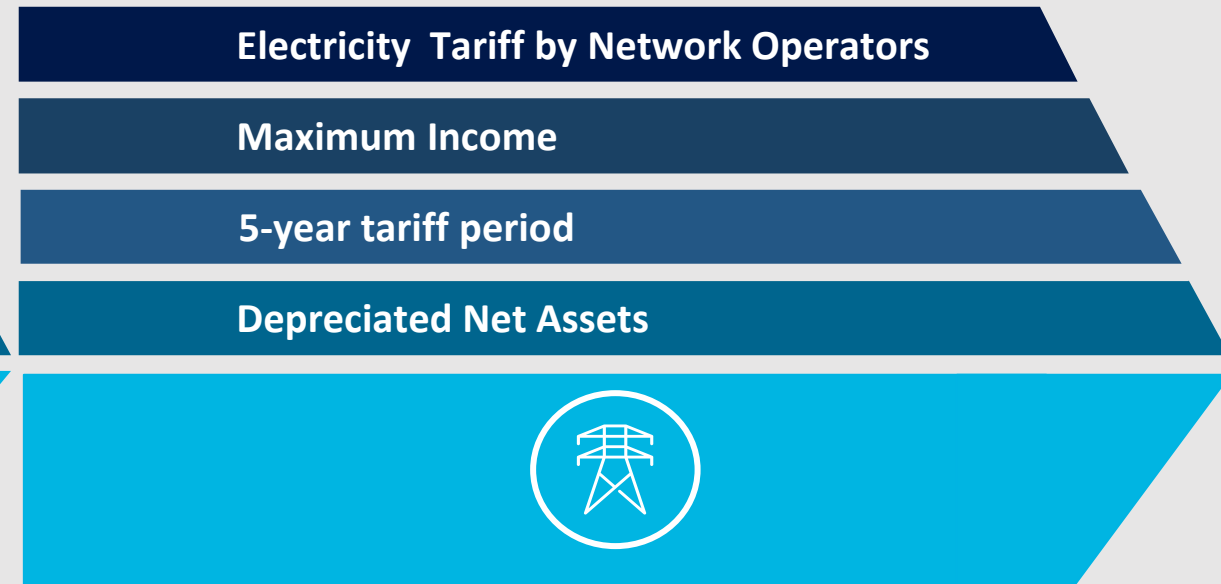
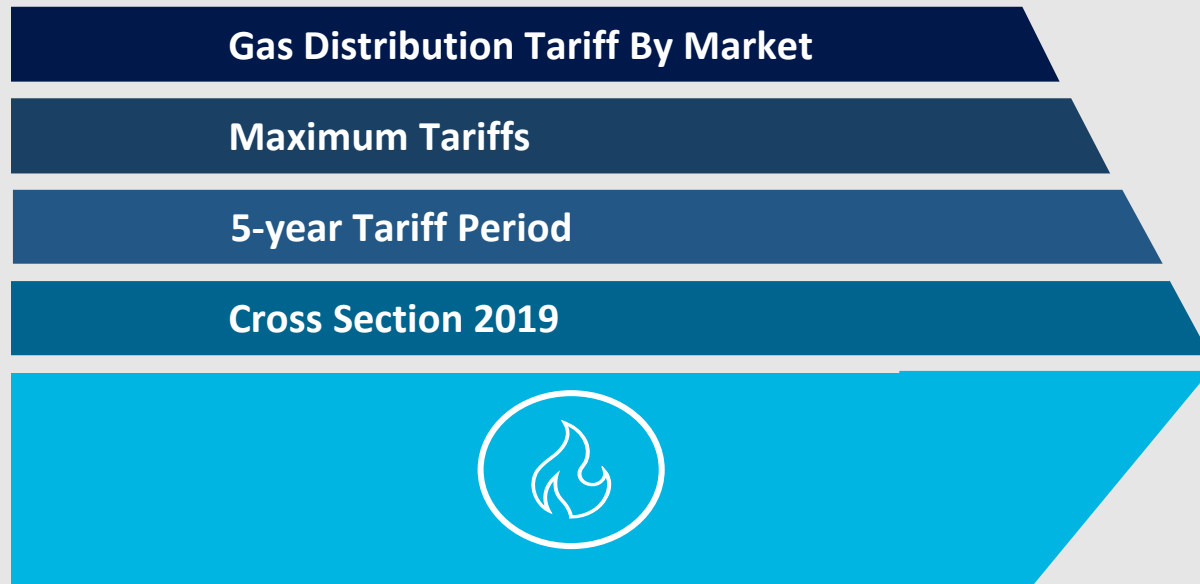
## Energy Distribution

- Actively explore opportunities to acquire electric utility assets in Colombia and Peru
- Leverage our experience in Colombia and gain scale to have a more efficient operation



Strong and stable sources of income and 38 years of operations support our Growth Model

# Solid Fee Based Income Supported by a Stable Regulatory Framework



**Unitary Cost** = Supply  $G$  + Transportation  $T$  + Distribution  $Dt$  + Commercialization  $Cm$

**WACC** 11.98%\*  
Current tariff updated 2017

**WACC** 11.50%\*  
Current tariff updated 2019

**70% of Gross Profit is Fee Based**  
\*\* Average 2020

\* Adjusted by inflation COP before taxes



**Becoming a Leader  
of Natural Gas  
in Peru based on  
Distribution  
Synergies,  
Affordability and  
CNG**



**4 Companies**

**Customers  
as of 2020  
1.17 million**

**Gas Sold  
as of 2020  
7.45 Bn m3**

**CAPEX  
2016-2020  
USD 380 MM**

Bolivia

# We Are Developing the Market in Peru Through Our Four Natural Gas Companies With Significant Growth Potential



- CNG for industries and vehicles
- Gascop acquired in July 2020
- Transformed into Promigas Peru → In charge of the management and strategy of Quavii
- EBITDA 2020: USD 622M
- Area: Piura and Lambayeque



Gases del Norte del Perú

- Natural Gas Distribution
- Commercial Operations as of:
  - April 2021 Partial
  - July 2022 Definitive
- Concession obtained in 2019
- Term: 32 yrs
- Area: Talara, Sullana, Sechura, Piura, Paita



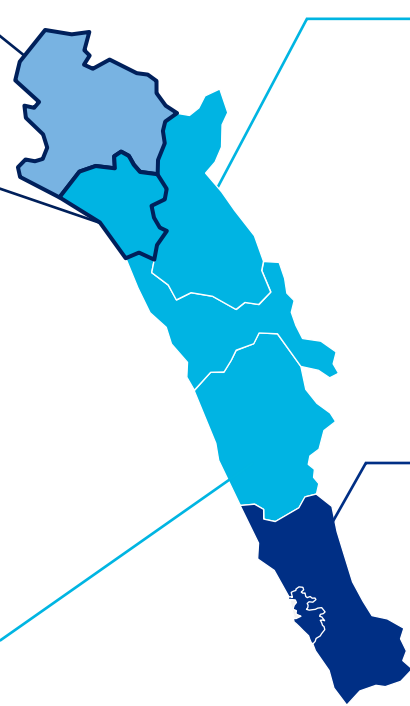
Gases del Pacífico

- Natural Gas distribution
- EBITDA 2020: USD 108.6 MM
- Gas Sold 2020: 78 MMm3 (78% industries)
- Concession obtained in 2013
- Term: 21 years
- Commercial Operations since Dec 2017
- Area: Chiclayo, Trujillo, Huaraz, Cajamarca, Lambayeque, Pacasmayo

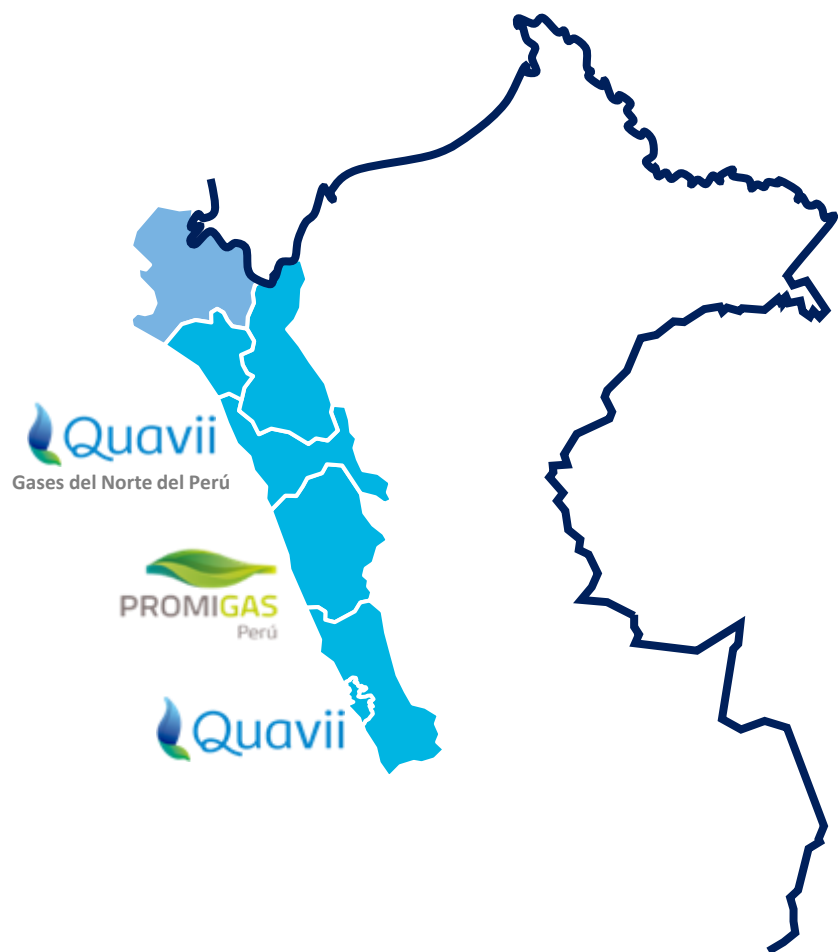


GAS NATURAL DEL PERÚ

- Natural Gas Distribution
- EBITDA 2020: USD 164.3MM
- Gas Sold 2020: 7,353 MMm3
  - 75% Power plants
  - 16% Industries
- Promigas 40% ownership since 2007
- Area: Lima and Callao

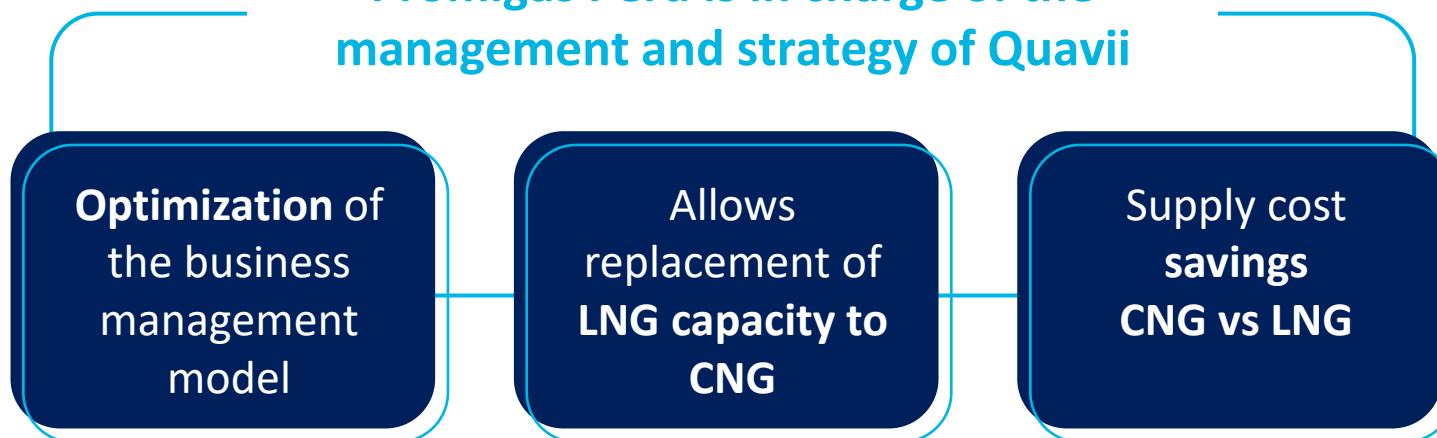


# A Key Growth Opportunity for Promigas in Peru is to Capture Synergies Through Centralized Management and a Unified Strategy



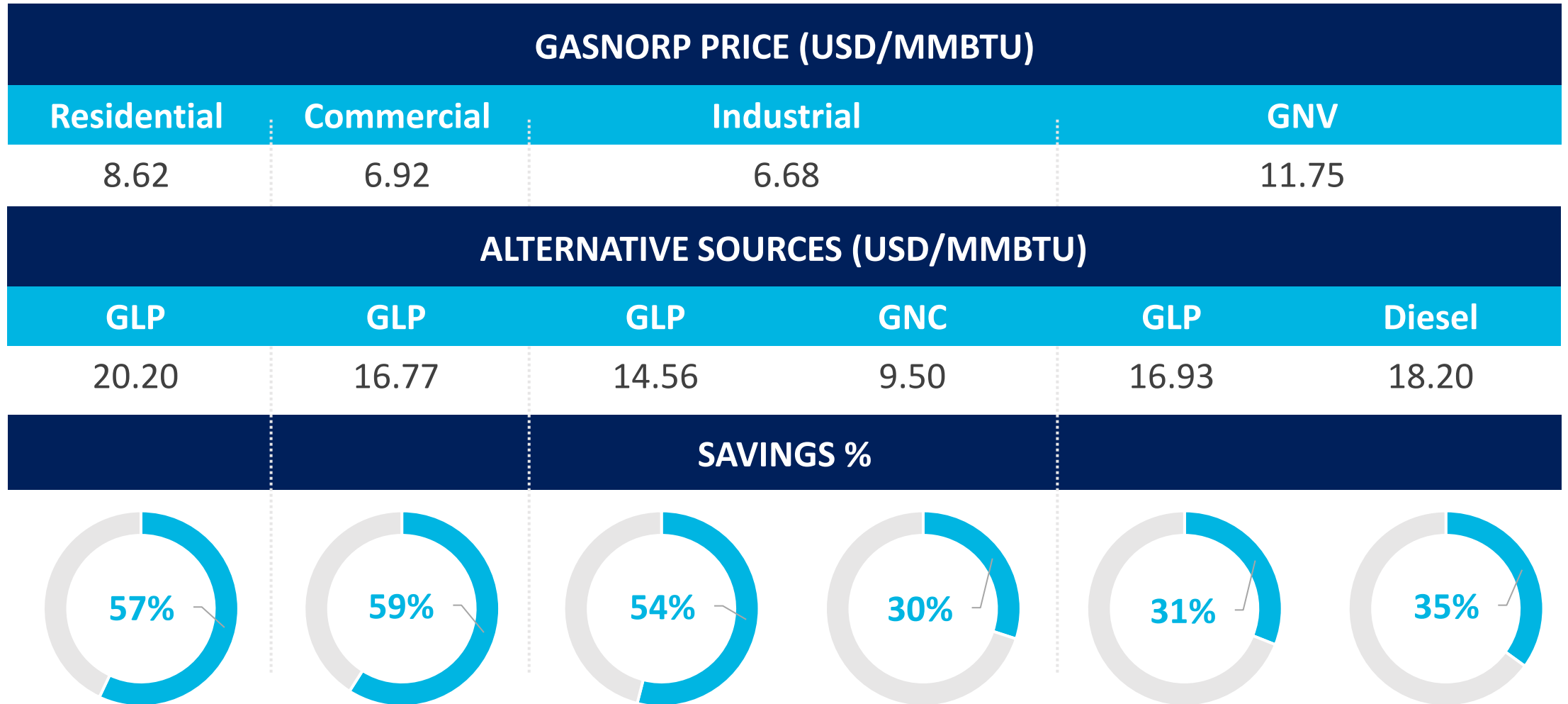
	2020	2021	2022	2023	2024
Demand MMm3	96	189	456	548	582
Customers	122,946	159,890	202,001	223,040	231,393
USD MM					
EBITDA	121.7	101.9	64.1	61.3	69.6
EBITDA (w/o IFRS15)	7.9	16.9	33.6	52.2	57.7
Net Profit	72.7	50.9	15.1	4.6	10.7
CAPEX	59.7	111.4	40.6	12.1	15.3

Promigas Peru is in charge of the management and strategy of Quavii





# Another Key Driver for Growth in Peru is Price Competitiveness



Data as of April 1, 2021



**PROMIGAS**



**Renewable energy and NGV Video**

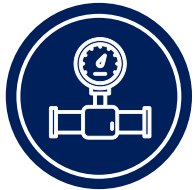
# We Plan to Become a Relevant Player in Energy Services in Colombia and Peru with Emphasis on Renewables and Efficiency



## Photovoltaic Power Plants

- Tailored solutions to boost consumption of renewable energy
- National coverage
- 15-20 year PPA contracts to consolidate long-term relationships

- Installed Capacity: 123.9 MWp
- Capex (e): USD 77 MM
- Execution Period: 5 years
- EBITDA 2026: USD 7 MM



## Self-generation & Gas Cogeneration

- Gas fueled electric self-generation services
- Energy efficiency mechanisms using residual heat/ cold from the electric power generation process

- Installed Capacity: 41 MWp
- Capex (e): USD 56.53 MM
- Execution Period: 5 years
- EBITDA 2026: USD 5.61 MM
- 10 - 15 year contracts



## Energy Efficiency & Thermal Districts

- Comprehensive and centralized cooling and / or heating solution for industrial areas, shopping centers and residential communities
- Energy efficiency auditing, engineering and services

# We Will Pursue Opportunities in Electric Utilities to Increase Scale in Colombia and Replicate our Growth Model in Peru

**Customers**

+ 409 K  
38 locations served



**Energy Demand**

996 GWh




**Solar PV**

8.8 MWp  
Installed Capacity



**% Energy Loss**

13%



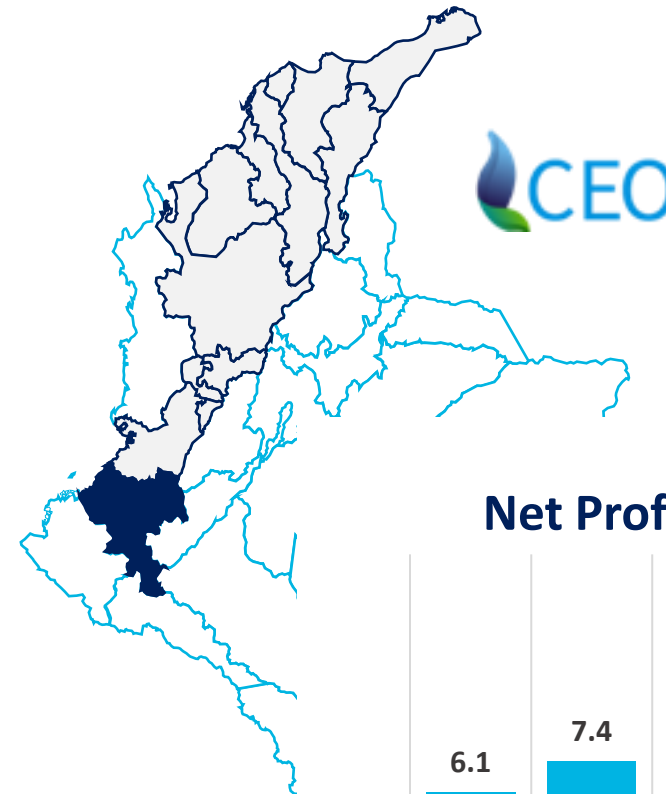
**Lines**

27,982 KM

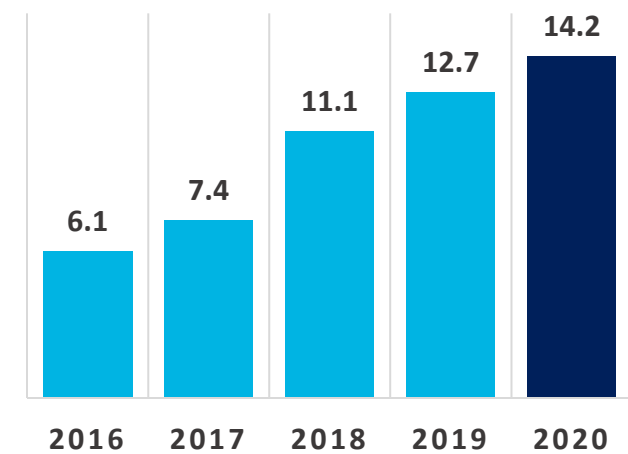


**Area**

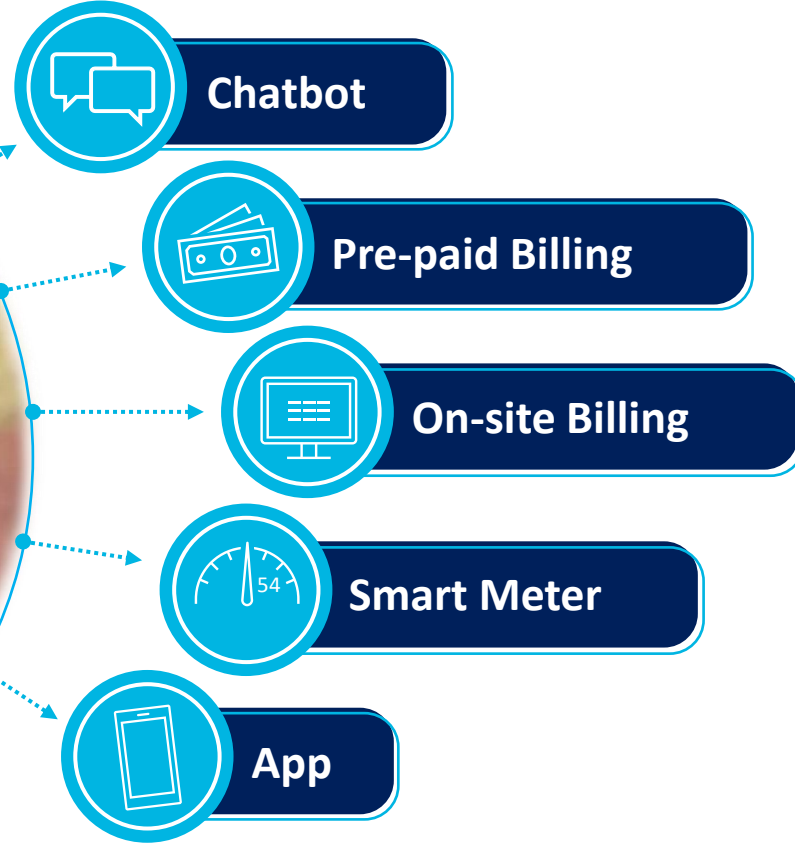
Cauca  
(Acquired June 2010)



Net Profit (USD MM)



# Promigas is Focused on Digital Transformation, Key to Enhance Customer Satisfaction and Lead to New Products and Services



**Best rated public service by our customers Since 2013**



**A satisfied customer is the best business strategy**

# Our Brilla Program is an Example of How We Innovate to Adapt to Our Customers, Generating Inclusion, Profits and Higher Energy Demand Via Accessibility

Brilla was created in 2007 as a business unit that seeks to improve **quality of life** while increasing **energy demand and customer loyalty**

**95% of our users belong to extremely low-income brackets, with limited access to formal financing alternatives**

**Brilla offers consumer loans at competitive market rates, below those charged by informal lenders**

### Main credit lines

<b>23%</b>	<b>19%</b>	<b>17%</b>	<b>11%</b>	<b>8%</b>

Data as of Dec 31, 2020

### Accolades

 IFC – Inclusive Business Leader Award (2011)	 G20 – Challenge On Inclusive Business Innovation (2012)
 FT/IFC Achievement in Inclusive Business (2014)	 Fundación Andi “Inspiring Companies” in Colombia (2018)

# Promigas is Refocusing Brilla's Strategy to Maximize its Potential



## Digital Transformation

- 100% digital transactions
- E-commerce
- Brilla App



## Credit Risk Assessment

- New credit risk scoring
- Growth of potential users and optimization of their credit capacity



## Insurance & Assistance

- Portfolio Growth
  - Associated to credit
  - Volunteers
  - Assistance services

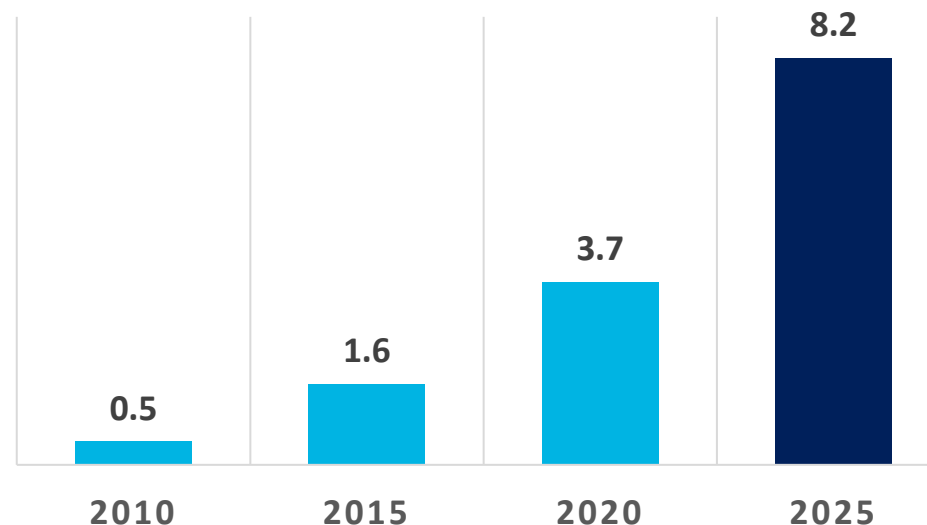


## Brilla Quavii

- Development of operation in Peru

## Families Obtaining Loans

(Millions)



## Full Potential: 10 years

Total Portfolio:  
USD ~ 1.1 Bn (~ 4x 2020)

EBITDA:  
USD ~ 100 MM



Gases de La Guajira



PROMIGAS

We will continue to **grow organically and through acquisitions in Colombia**, diversifying our business lines inside the utility **ecosystem and exploring new geographies**

Gradually but steadily, staying close to our customers, always **innovating and leveraging** our expertise and cash flow





# Our Sustainability Steps in the Energy Transformation Journey

**Natalia Abello**

VP Legal & Sustainability





PROMIGAS



Sustainability Video



In our over 45 years of experience, we have always been sustainability oriented.

Building on our ethical values and respect for human rights, we contribute sustainably to generate positive transformation.

We understand that our business has the potential to boost development and produce transformation and environmental benefits in the communities in which we operate.

# Our Goal is to Become Sustainability Leaders by 2030

1

**Our Management Model is aligned to our Corporate Business Strategy including Key Strategic Objectives for 2030**

2

**Innovation Is Our Key Lever to enhance sustainability**

3

**Our material issues are also aligned with Strategic Goals and Objectives, as well as with global sustainability trends and SDGs**

4

**Active engagement with our stakeholders**



## STRATEGIC LEVERS

INNOVATION

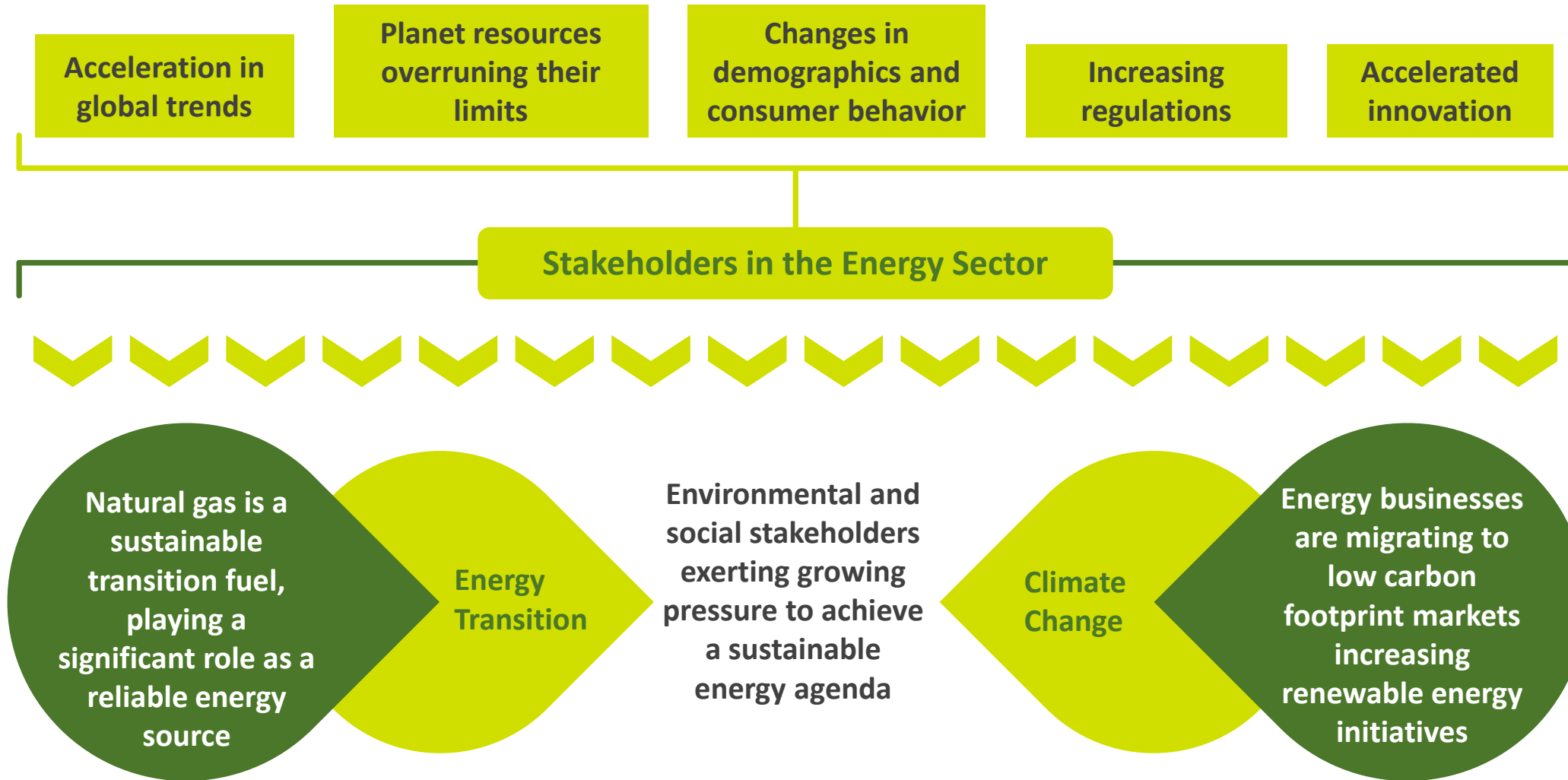
ETHICS AND CORPORATE GOVERNANCE

RISK MANAGEMENT

# Our Sustainability Strategy is Fully Embedded into Our Corporate Strategy, With Innovation as a Key Lever



# Evolving Megatrends and Stakeholder Behavior Are Increasing Pressure for a Sustainable Energy Agenda




# Promigas is Aligned With Eleven of the Seventeen UN Sustainable Development Goals for 2030



**Respect for Human Rights**

We are committed to ensuring Human Rights are respected across our value chain.

**Climate Impact Reduction**

Transitioning to low carbon footprint sources of energy is prioritized as part of the company's business strategy.




**Human Capital Safety and Development**

We are committed to the development, wellbeing, health and safety of our people, prioritizing the safety of our operations.




**Interaction with Our Communities (Operating License)**

We carry out ethical, responsible and purpose oriented transformational social initiatives.



# Our Businesses and Services Are Focused on Delivering the Value We have Promised to Our Different Stakeholders

## OUR SERVICES

### Energy Services



Natural Gas Value Chain



Electricity



Renewables



Non-banking finance

## STAKEHOLDERS

### OUR PROMISE



Shareholders  
Investors  
Board of Directors

Sustainable Financial Performance

Legal and Regulatory compliances

Governments and Regulatory Agencies



Clients

Service Quality

Investment initiatives that contribute to community development

Communities



Suppliers and Contractors

Provider Relationship Development

Adequate & Equal pay, Health & Safety, Holistic Development & Wellbeing

Employees





# Our KPIs Show Promigas' Progress on its Key Commitments

## INNOVATION



**55%** increase in innovation projects

**2.5%** of operating income generated by new products and services

## OPERATIONAL EXCELLENCE



### Service Continuity

Promigas: **100%**  
Corporate: **99.8%**

**85%** Client satisfaction

## SAFETY



### Promigas

**0** occupational accidents  
**0** fatalities

### Contractors

**11** occupational accidents  
**2** fatalities

## SUPPLIER DEVELOPMENT



**USD 443 MM** in orders

**4.209** suppliers

**34%** local providers

**86%** average rating

## EMPLOYEE SATISFACTION AND WELLBEING



**11.3%** employee rotation

**66.9** work environment (very good)

**0** diagnosed diseases

**0** diseases under study

# Promigas is Recognized By Both Local and International Prestigious Organizations for its Commitment to Sustainability



## Sustainability Yearbook Member 2021



Included in the S&P Global Sustainability Yearbook 2021. Listed among the top 15 per cent of companies with the best social, environmental, economic and governance practices



Selected as **ONE OF 10 COMPANIES** in Colombia with the **BEST INDEX OF PRIVATE SOCIAL INVESTMENT**



## Awarded with CINCEL prize

Promigas and 3 of its affiliates awarded CINCEL prize, given for maintaining the best work environment



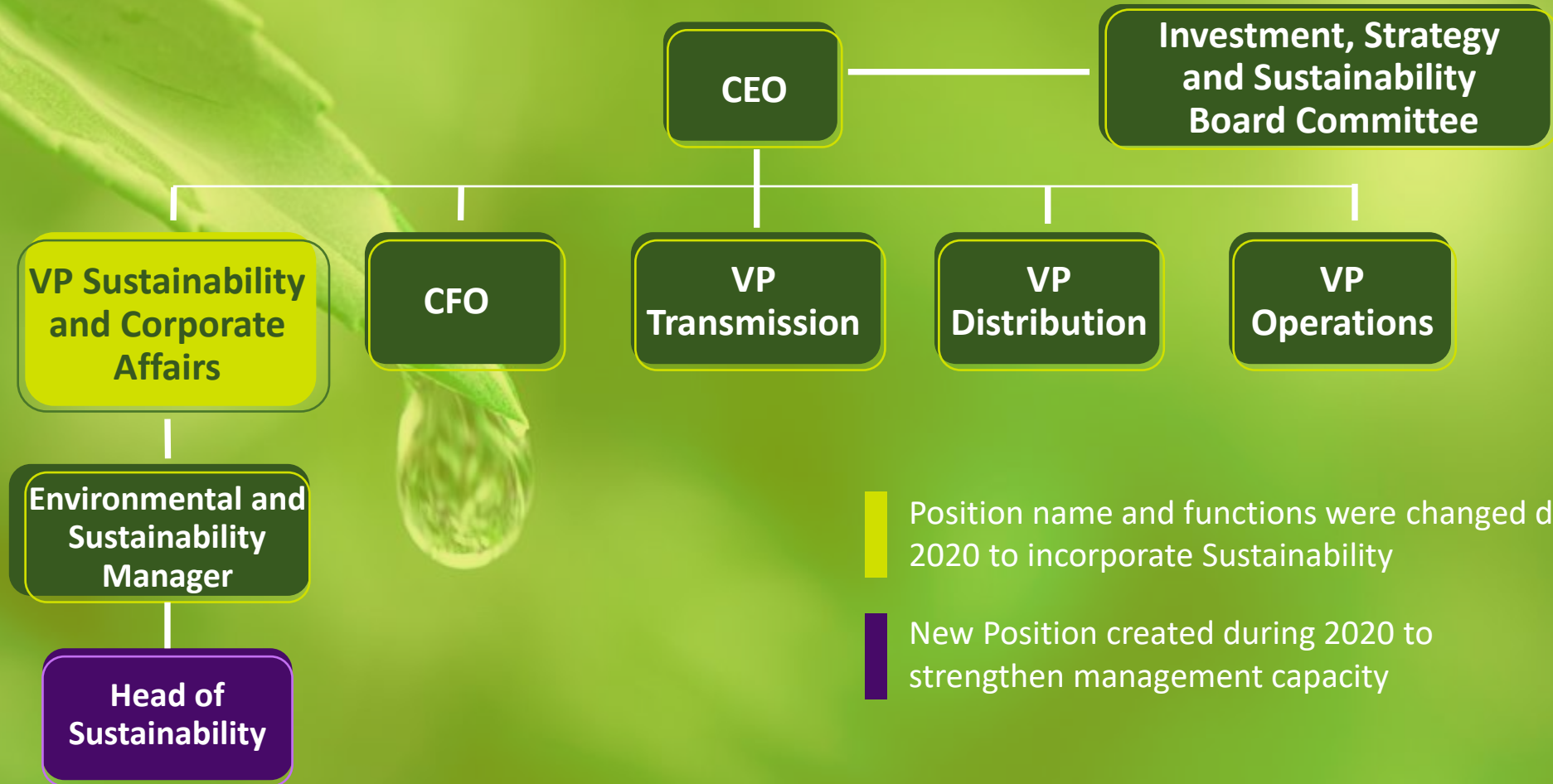
**Colombia Chapter BEST RATING FOR THE DRY TROPICAL FOREST PROJECT** recognizing Best Practices in Sustainable Development for SDG 15



## INNOVATION #1 in the Oil & Gas Sector in Colombia

The Ministry of Science, Technology and Innovation recognized Promigas as first company in Colombian Oil & Gas to have an I+D+i unit

# During 2020 We Strengthened Our ESG Governance to Secure Oversight of and Accountability for Sustainability Issues and Objectives



- Position name and functions were changed during 2020 to incorporate Sustainability
- New Position created during 2020 to strengthen management capacity

# Strong and Independent Governance, Together With Our High Ethical Standards, Reinforce the Execution of Our Strategic Objectives



## HIGH ETHICAL STANDARDS

- 0 Corruption Cases Reported
- 0 Relevant Sanctions or Fines
- 0 Reports of Discrimination or any form of Harassment
- 0 Human Right Complaints

## OUR BOARD OF DIRECTORS

5 Directors + 5 Deputy Directors

- 60% Independent directors
- 60% With previous board experience in the sector
- 18 Board meetings
- 94% Average assistance

## BOARD COMMITTEES

Investment, Strategy & Sustainability Committee:  
14 sessions in 2020

Risk, Audit & Governance Committee  
5 sessions in 2020

Compensation & Development Committee:  
2 sessions in 2020



## Our Environmental Program Includes Minimizing Our Intervention and Investing to Protect Biodiversity



### Protecting Biodiversity by Connecting Tropical Dry Forests

- **697.63 ha** compensation
- **2.342 epiphytes** maintained with over 95% survival rates
- Reforestation of 100% of areas under intervention (333.3 ha)
- **Monitoring** of endangered species in the area



### Operating Sustainably to Minimize Intervention

- We occupy only **61%** of total areas approved for infrastructure expansion
- We have intervened **55%** of the total trees authorized
- We have planted approximately **10,000 trees**



Environmental Investment of **USD 2 MM**

# 2020

## Environmental KPIs:



**11 %** reduction in our carbon footprint



**Carbon footprint** certification under ISO 14064



**Promigas Focused** its Energy Transformation Efforts in Renewable Energy Initiatives: **15.5 MW IN NEW PHOTOVOLTAIC CAPACITY**

## Our Environmental Strategy Strengthens Promigas' Competitive Position



- It responds to our risk **evaluation**: physical, market, legal, regulatory and reputational risks
- It identifies **business opportunities** such as the increase in natural gas demand due to climate changes and the transition to cleaner fuels and technology

STRATEGY	OBJECTIVE
1. Mitigating	Reducing our current and future carbon footprint
2. Adapting	Improving the resiliency of our assets, operations and of the communities in our area of influence, given climate effects that could potentially affect our infrastructure
3. Communicating	Generating awareness among interested parties of our environmental strategy and that of the companies in our portfolio
4. Growing sustainably	Developing a specific strategy to approach new businesses with a decarbonization, energy efficiency and renewable focus

**Moving ahead ( 2021 to 2025):**

Answer CDP and align reporting with TCFD

# Our Social Projects Contribute to the Progress and Wellbeing of the Communities Where We Operate



Value of Total Social Investment in Colombia and Peru  
**USD 8.7 MM**

72%  
USD 6 MM  
COVID response

28%  
USD 2.7 MM  
Strategic social project

410,000 Beneficiaries  
405 communities



## Clean Energy for Homes

Gasification in Corregimiento de Correa, María la Baja-Bolívar.

Reach: **226 Families**

## Community Production Pro

Supporting family access to food and strengthening social ties in Bolívar, Sucre and Córdoba areas

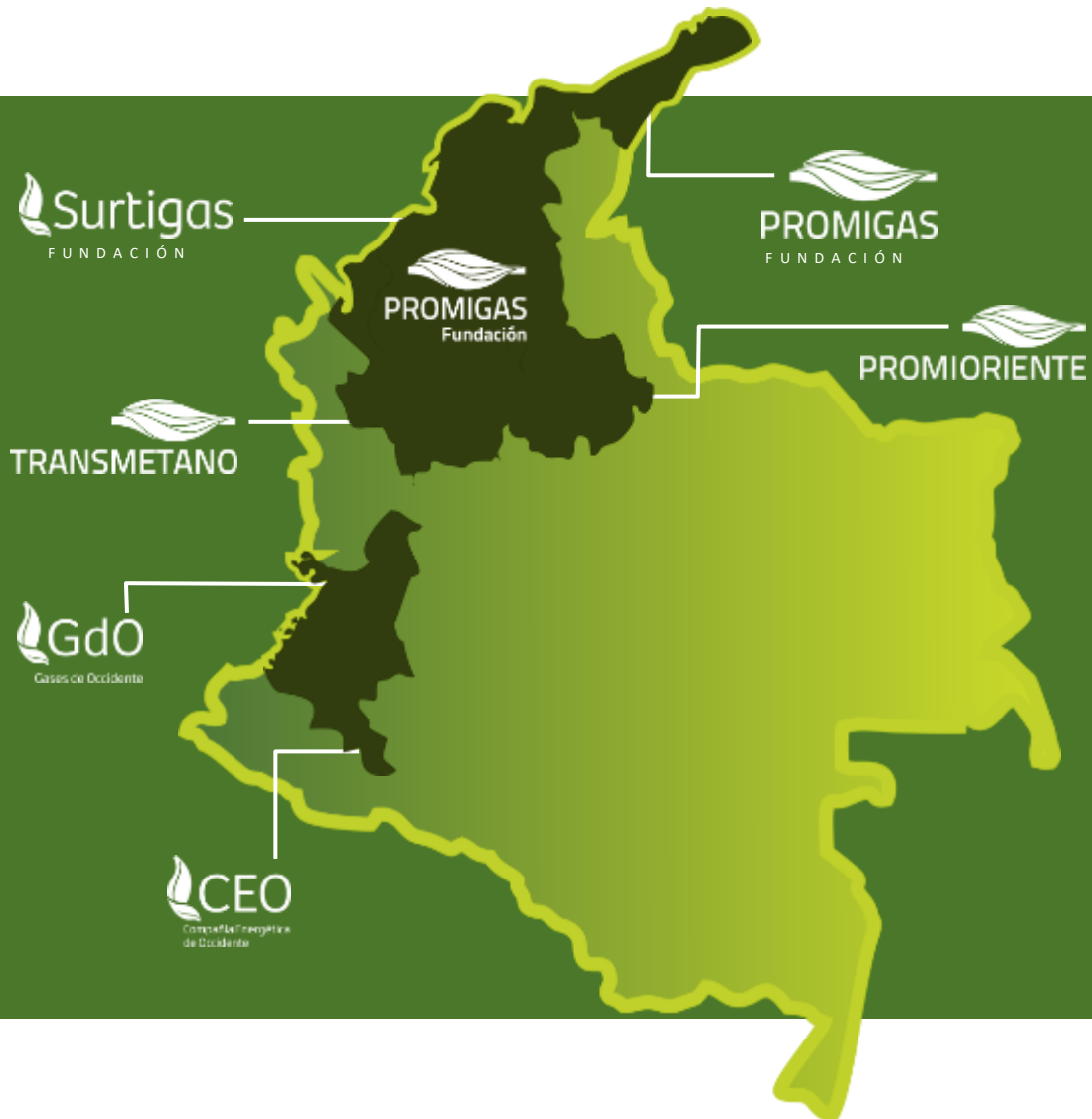
Reach: **400 Families**

## Microbusiness Support

Training with emphasis on strengthening social ties, culture, peace and reconciliation.

Reach: **200 Families**  
**280 new jobs**

# Fundación Promigas Unifies the Diverse Efforts of Companies in the Group, Generating Synergies and Maximizing Social Impact



## UNIFIED OBJECTIVES



Educating for social equality and sustainability



Executing production training programs



Strengthening local governments and encouraging participation





# Looking Forward, Our Sustainability Action Plan Includes Initiatives to Increase Promigas' Commitment to Sustainability Even Further

## Environmental

Growing participation in renewable energies

Taking advantage of identified new opportunities in energy services

Defining our emission reduction ambitions at a corporate level with the goal of becoming carbon neutral

Developing new renewable energy initiatives



## Social

### Human Rights

Implementing Human Right due diligence in ethnic communities

Reinforcing critical supplier compliance with Human Rights Policies and supporting improvement programs when required

### Interaction with communities (operating licenses)

Consolidating our Promigas Foundation as the investment vehicle to achieve social transformation in the territories in which we operate



## Governance

Being at the forefront, maintaining the highest reporting standards for corporate performance

Maintaining female representation in the Board of Directors and including diversity criteria

Maintaining high levels of cyber protection in our digital environments





PROMIGAS



*We are fully committed to growing sustainably and constantly search for opportunities to improve our sustainability performance and generate more value for Promigas and its stakeholders*





**A Solid Financial Performance  
Guarantees Access to Capital,  
Future Investments and Growth**

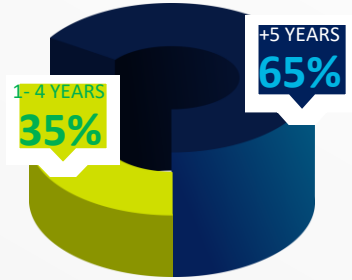
**Aquiles Mercado**  
CFO

# Some key corporate features

Seven pillars that provide us with robustness to face challenges.

1

**SOLID BUSINESS PERFORMANCE**  
THROUGH STABLE AND PREDICTABLE CASH FLOWS.



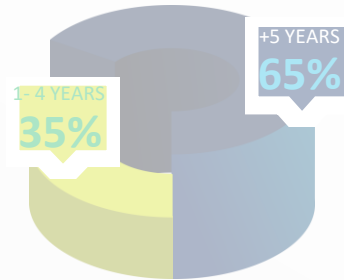
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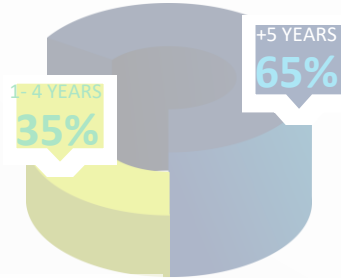
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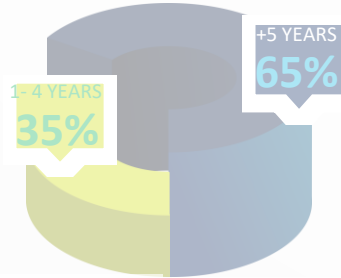
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IR BVC recognition for 8 consecutive years.

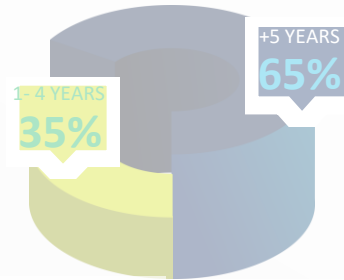


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**RECENT CORPORATE STRATEGIC PLAN** WITH CLEARLY IDENTIFIED OPPORTUNITIES FOR FURTHER GROWTH AND CHALLENGING ORGANIC RESULTS.

Implementation started in August 2020

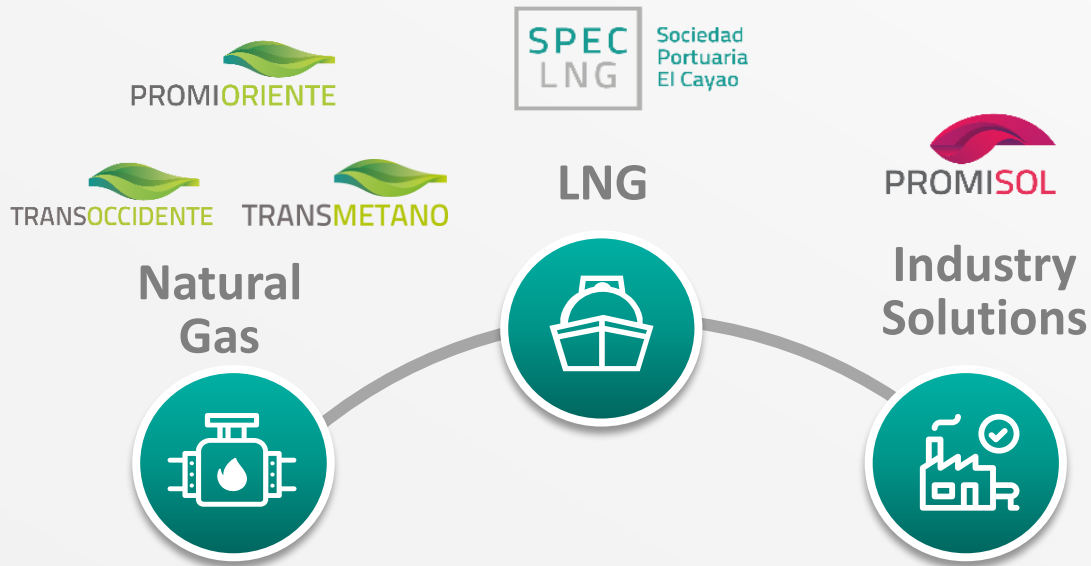
# Main remarkable structural feature:

Tracking performance shows highly stable and predictable cash flows<sup>(1)</sup>

Corporate Structure

## SBU TRANSPORTATION

7 COMPANIES



## SBU DISTRIBUTION

14 COMPANIES



Source: Promigas. Notes: (1) Consolidated figures for the 12-month period ended December 31, 2020 converted at a COP/USD FX rate of 3.432,50.

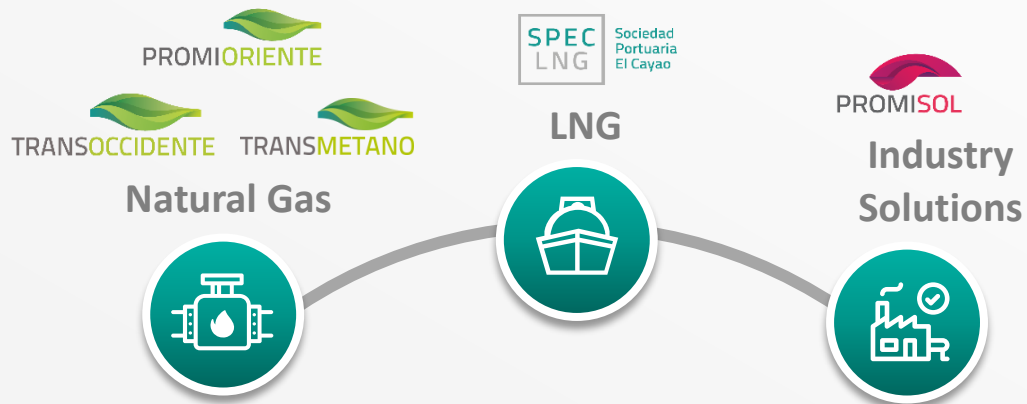
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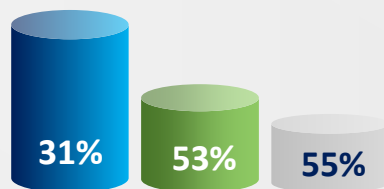


## SBU DISTRIBUTION

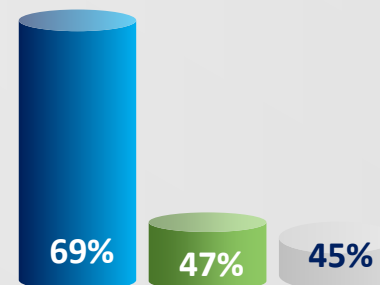
14 COMPANIES



### 4 YEAR AVERAGE TRANSPORTATION



### 4 YEAR AVERAGE DISTRIBUTION



- REVENUES<sup>(2)</sup>
- EBITDA<sup>(3)</sup>
- NET INCOME

Source: Promigas. Notes: (1) Consolidated figures for the 12-month period ended December 31, 2020, converted at a COP/USD FX rate of 3,432.50. (2) Consolidated Adjusted Operating Revenues: Revenues minus Revenues from Construction of Concessions plus Interest in Earnings of Subsidiaries plus Dividends Received. (3) Includes margin from Construction of Concessions of Gases del Norte del Perú and Gases del Pacífico.

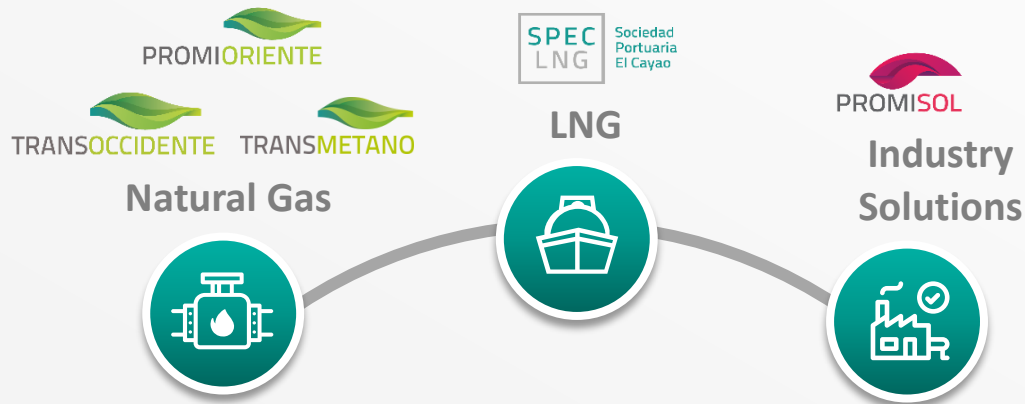
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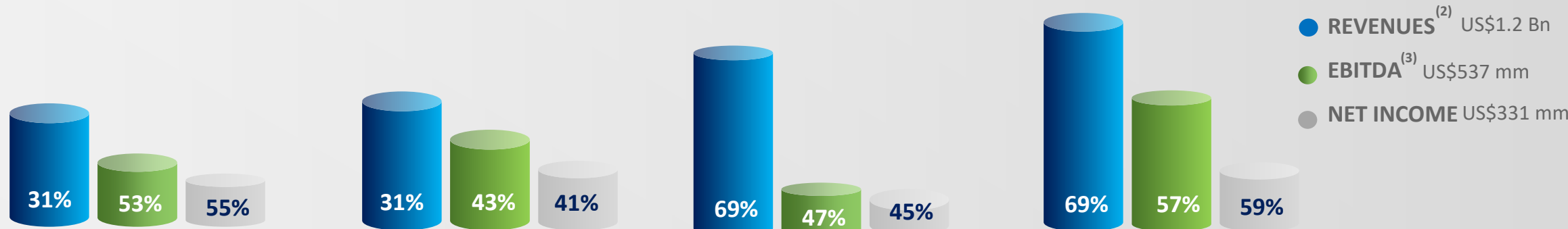


4 YEAR AVERAGE TRANSPORTATION

2020 TRANSPORTATION

4 YEAR AVERAGE DISTRIBUTION

2020 DISTRIBUTION



**82.5% OF REVENUES DERIVED FROM REGULATED NATURAL MONOPOLIES.<sup>(4)</sup>**

Source: Promigas. Notes: (1) Consolidated figures for the 12-month period ended December 31, 2020, converted at a COP/USD FX rate of 3,432.50. (2) Consolidated Adjusted Operating Revenues: Revenues minus Revenues from Construction of Concessions plus Interest in Earnings of Subsidiaries plus Dividends Received. (3) Includes margin from Construction of Concessions of Gases del Norte del Perú and Gases del Pacífico. (4) As of December 31, 2020.

# Liquidity and wide access to financial markets



## Liquidity and wide access to financial markets



*Historical access to liquidity through local and international banks and issuance in capital markets. Even in the midst of the pandemic, we guaranteed the **necessary resources for our investment plan in Colombia and Peru.***



# Treasury management during covid-19

Reliable access to financial sources



*More than US\$815 mm uncommitted credit lines.*



*Local Bond Issuance Program with outstanding capacity up to US\$58 mm.*



*US\$378 mm disbursement between March and April in response to COVID-19 for operations and investment commitments.*



*2 bond issuance in 12 weeks:*

- ✓ *International issuance reopening for US\$ 120 mm. Bid to cover 8.2x. Yield lower than emission 2019.*
- ✓ *Local issuance for US\$175 mm. Lower rates in awarded series (CPI + 1.58% 5 years and 3.77% UVR 25 years).*

**CONSERVATIVE FINANCIAL POLICY:  
STRONG COMMITMENT TO INVESTMENT GRADE PROFILES**



# Regular and market valued issuer

Our transactions in the capital markets: local and international



## OUR CREDENTIALS: Credit Ratings



Fitch  
Ratings

**8°YEAR AAA**  
(Local)



**7° YEAR AAA**  
(Local)



**3° YEAR AA+**  
(Local)



**20° YEAR AAA**  
(Local)

**10°YEAR BBB-**  
(International)

MOODY'S

**2°YEAR Baa3**  
(International)



**12 local bond issuances** and a  
successful recent reopening in the  
international Capital Markets



**US\$ 707 mm**  
Promigas local  
issuances



**US\$ 824 mm**  
Through  
subsidiaries



**US\$ 520 mm**  
international market

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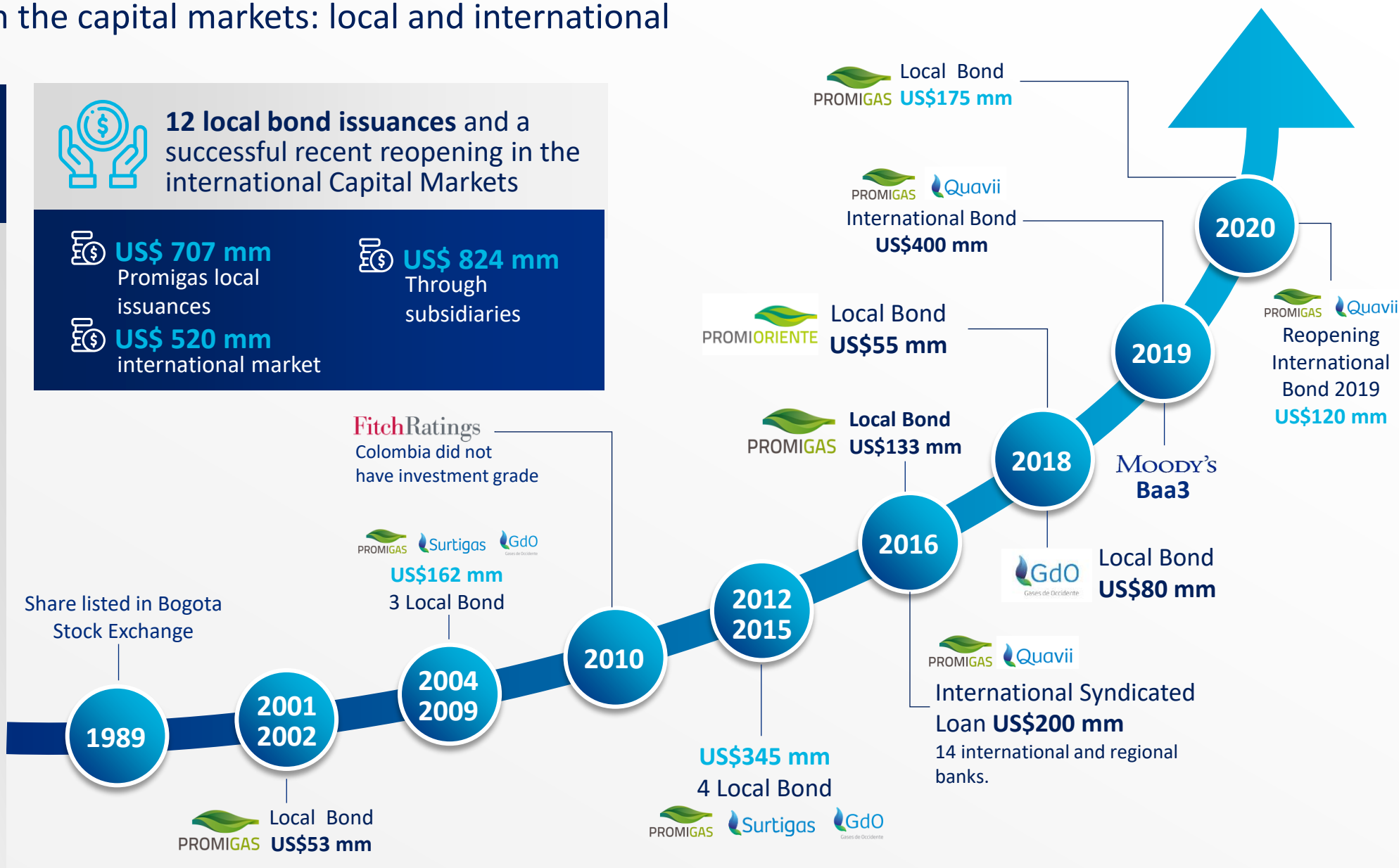
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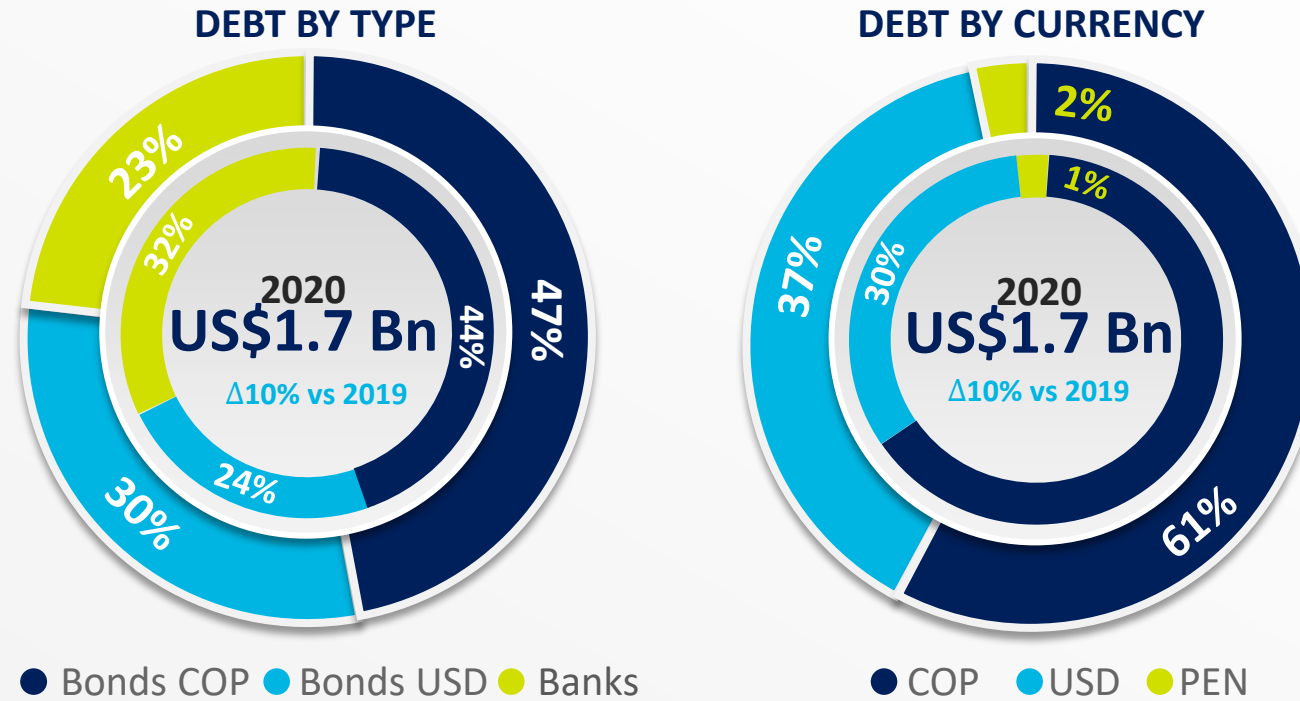


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Appropriate mix of currency, tenors and overall conditions.



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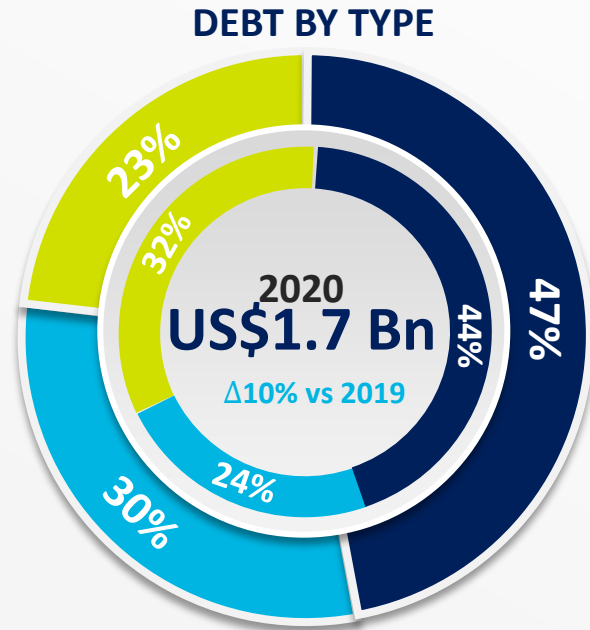
Rate  
Average

Entering 2020	Exiting 2020
6.28%	4.48%

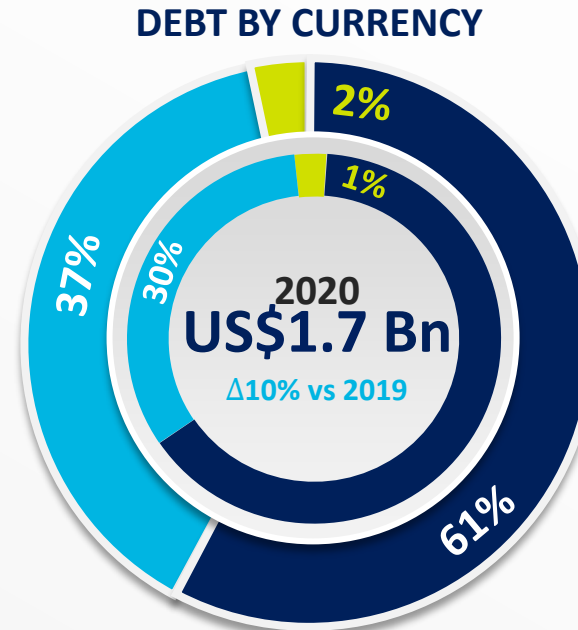


Duration  
(Years)

Entering 2020	Exiting 2020
6.08	7.59



● Bonds COP ● Bonds USD ● Banks



● COP ● USD ● PEN



Net Debt  
/EBITDA

Entering 2020	Exiting 2020
3.89x	3.54x



FFO/  
Debt

Entering 2020	Exiting 2020
13.8%	15.6%

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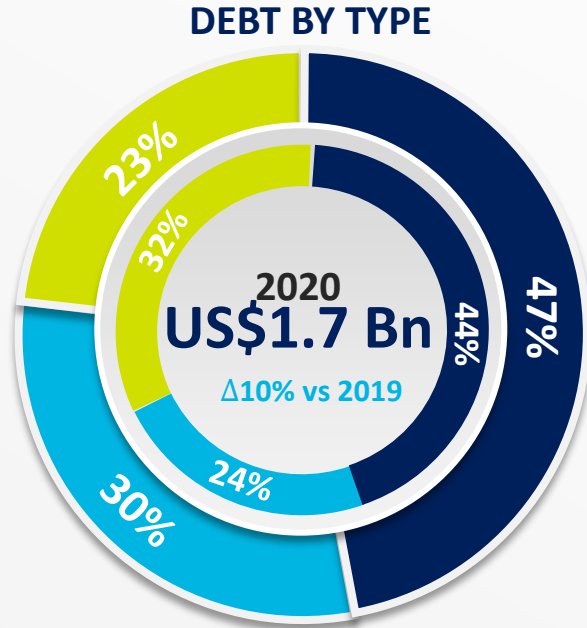
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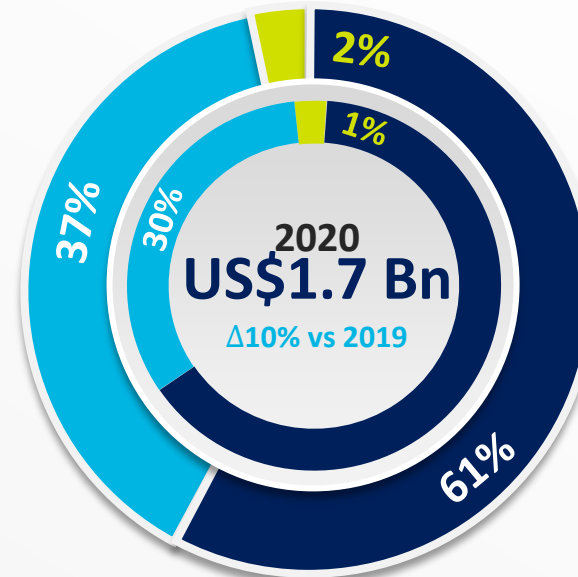
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### DEBT BY CURRENCY



● COP ● USD ● PEN



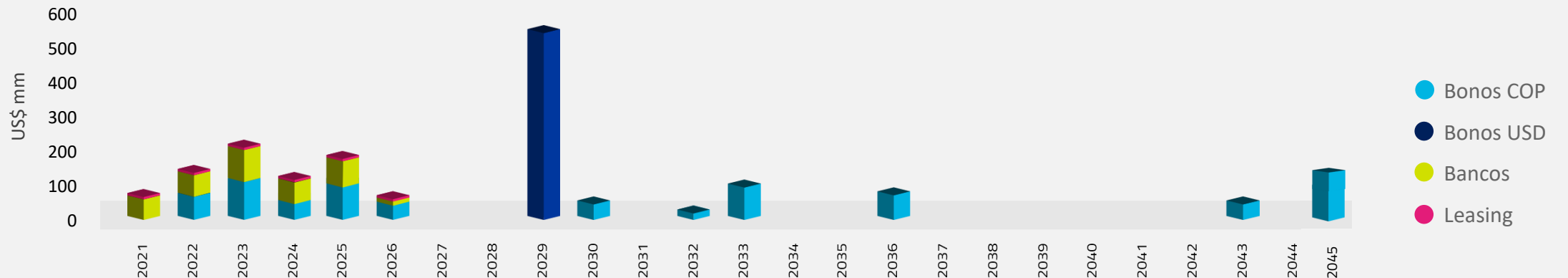
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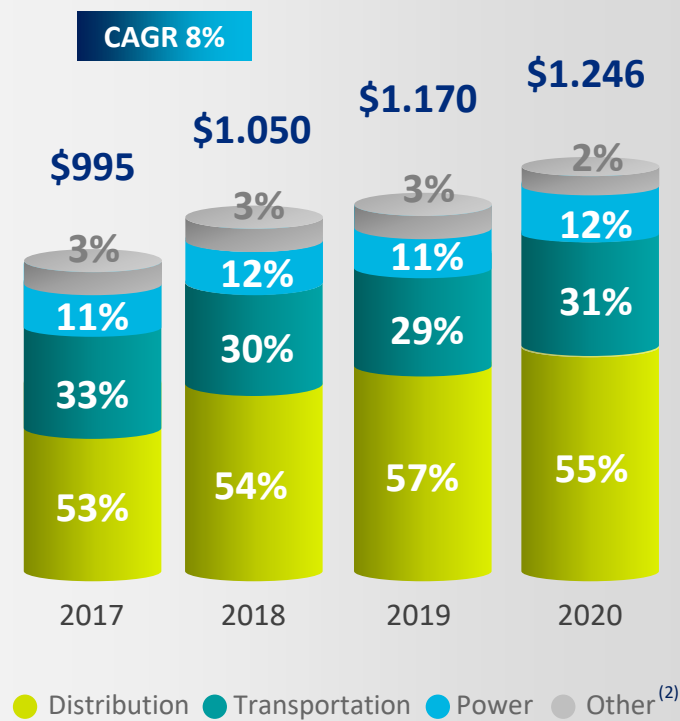
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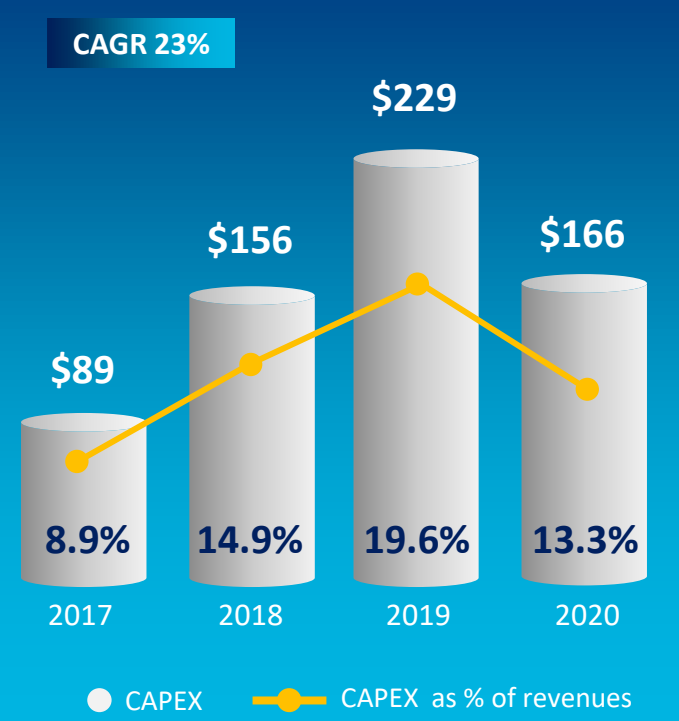
# Financial overall outlook

Sound results that allow us to predict a promising future.

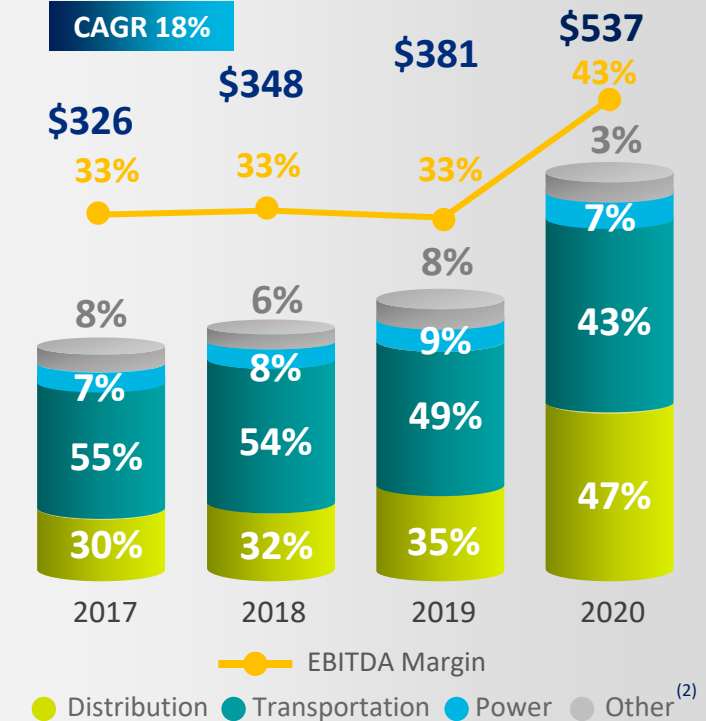
(US\$ mm, %) **REVENUES** <sup>(1)</sup>



**CAPEX & CAPEX AS A % OF REVENUES**  
(US\$ mm, %)



**EBITDA** <sup>(3)</sup> & **EBITDA MARGIN**  
(US\$ mm, %)

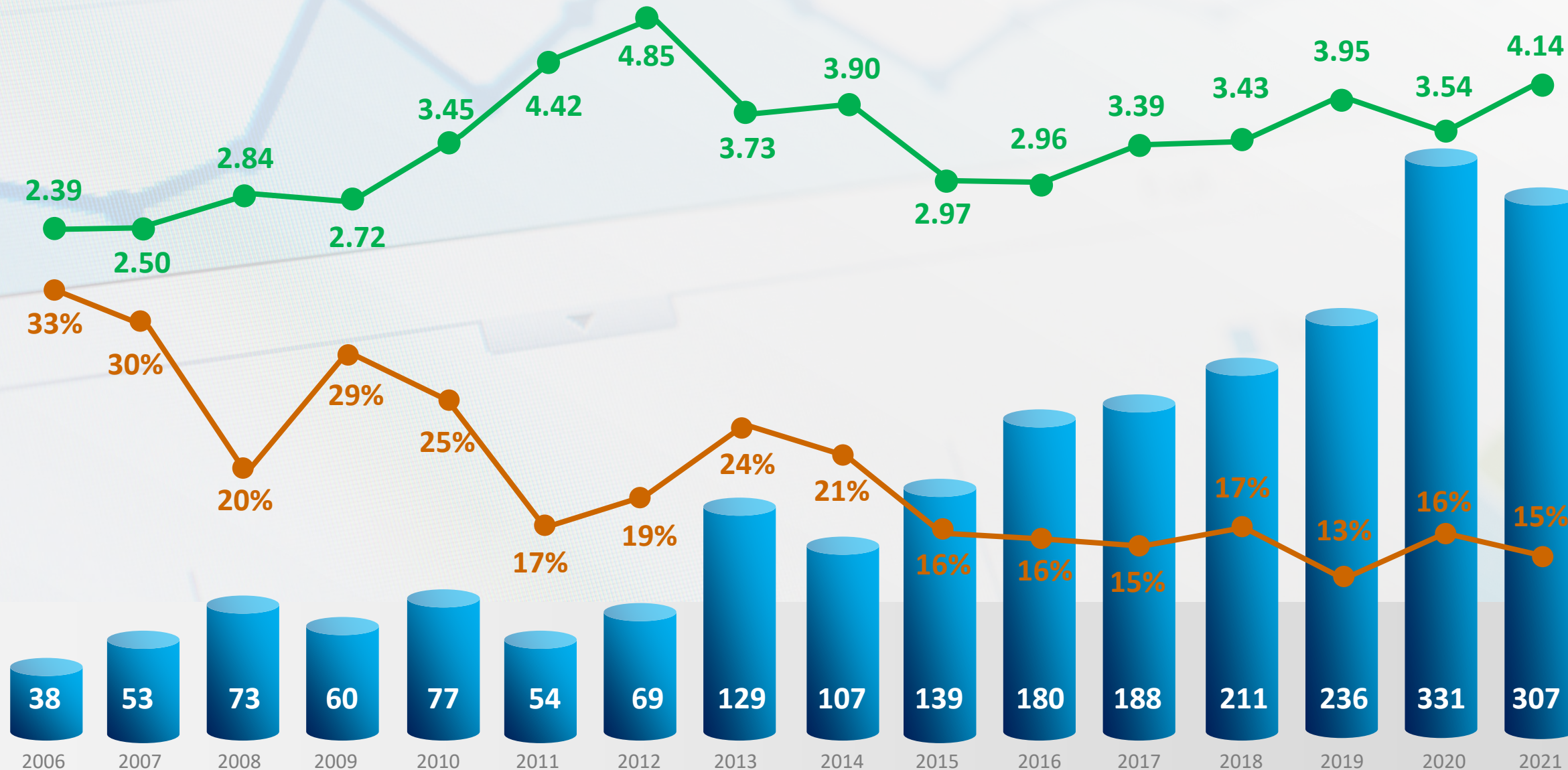


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# Financial outlook

Remarkable KPI's arising from steady results

- Net Income (US\$ mm)
- Net Debt/EBITDA
- FFO/Debt



# Financial outlook:

Results boosted by our outstanding activities in Perú

2020



## REVENUES

**US\$ 1.2 Bn**

$\Delta 6\%$  (20 vs19)

- Decrease in distribution demand.
- Brilla program suspension for 4 months.



## EBITDA

**US\$ 537 mm**

$\Delta 41\%$  (20 vs19)

- AO&M savings
- Responsible Austerity Program



## NET INCOME

**US\$ 331 mm**

$\Delta 40\%$  (20 vs19)

- Higher portfolio provisions (receivables)
- Donations
- IFRS 15 impact: US\$81 mm



**EJEC. 133%**

WITHOUT IFRS 15  
**101%**



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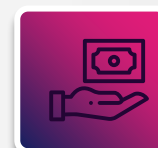


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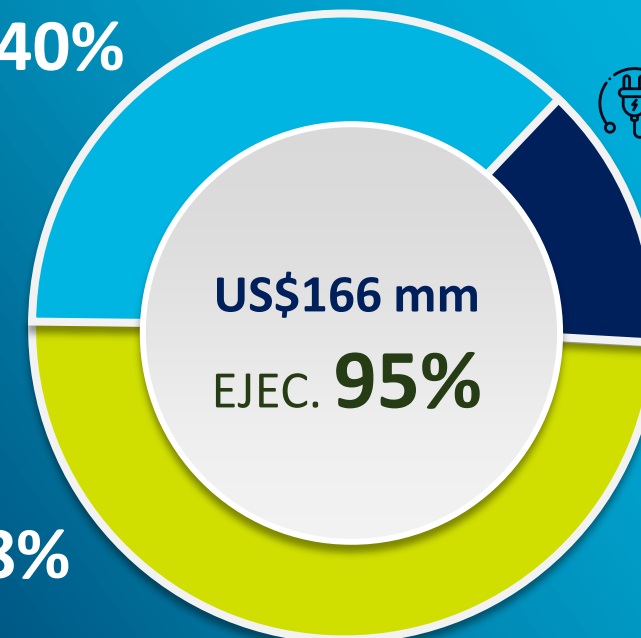
## CAPEX 2020



**40%**



**12%**



**48%**

POSTPONED

**US\$103 mm**

### MAIN ITEMS:

- Completion of 100 MMSCFD Project (US\$47 mm)
- Peru Investment Plan (US\$47 mm)
- Regulatory Investment – Compañía Energética de Occidente (US\$11 mm)
- Completion of Riohacha Pipeline replacement (US\$7 mm)

# The hardest test

Corporate resilience under most adverse conditions ever



Expenses Management

Entering 2020

Expected  
**US\$925 mm**

Exiting 2020

Obtained  
**US\$16 MM** Cost Reduction



Net Profit

**US\$249 mm**

**US\$331 mm** with IFRS 15  
(133% execution)



System Availability

**100%**

**100%**



Net Debt/  
EBITDA

**3.89x**

**3.54x**



Investments

Entering 2020

**US\$278 mm**

Exiting 2020

**US\$103 mm**  
Postponed



Workforce

**100%** Field  
Work/Office

**73%** Home Office  
**27%** Field Work/Office



Average Credit  
Rating

Fitch Ratings: AAA Local  
BBB- International  
Moody's: Baa3 International  
Ratings maintained



FFO/Debt

**13.8%**

**15.6%**

**"RESILIENCE and PLANNING are our best tools to face demanding forecoming CHALLENGES."**

# Financial outlook in the near future:

Realistic and zero-based expectations

## BUDGET 2021



REVENUES

**US\$1.3 Bn**

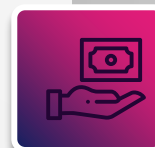
$\Delta 5\%$  (21vs20)



EBITDA

**US\$532 mm**

$\Delta -1\%$  (21 vs20)



NET INCOME

**US\$307 mm**

$\Delta -7\%$  (21vs20)

WITHOUT IFRS 15  
US\$248 mm ( $\Delta -1\%$  vs 20)

NET DEBT/ EBITDA

**4.1x**

FFO / DEBT

**15%**

## Financial outlook in the near future:

Realistic and zero-based expectations

### BUDGET 2021



REVENUES

**US\$1.3 Bn**

$\Delta 5\%$  (21vs20)



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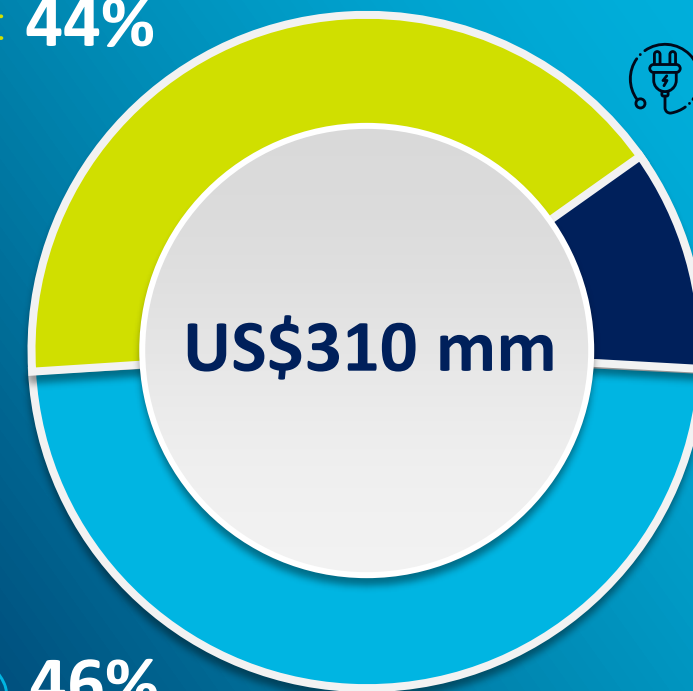
## CAPEX 2021



44%



10%



46%

### MAIN ITEMS:

- Peru Investment Plan (US\$118 mm)
- Construction Zona Bananera Pipeline – 10" 51km (US\$21 mm)
- Energy projects distribution companies 23MW (US\$18 mm)
- Regulatory Investment – Compañía Energética de Occidente (US\$14 mm)

# Dividends:

working to fulfill our shareholder expectations whilst meeting healthy business metrics.

**2020**  
**US\$ 128 mm**

**PAYOUT RATIO**  
**90%**



**AFFILIATES**  
**US\$ 94 mm**

**49%**  
**NON CONTROLLED**

**51%**  
**CONTROLLED**



**Δ 19%**

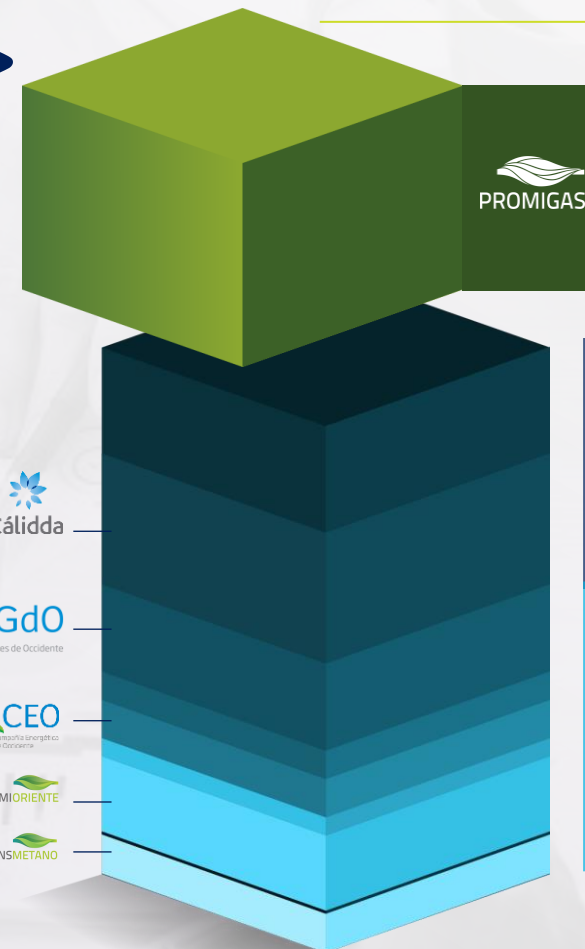
**2021**  
**US\$ 153 mm**

**PAYOUT RATIO**  
**100%**

**AFFILIATES**  
**US\$ 102 mm**

**45%**  
**NON CONTROLLED**

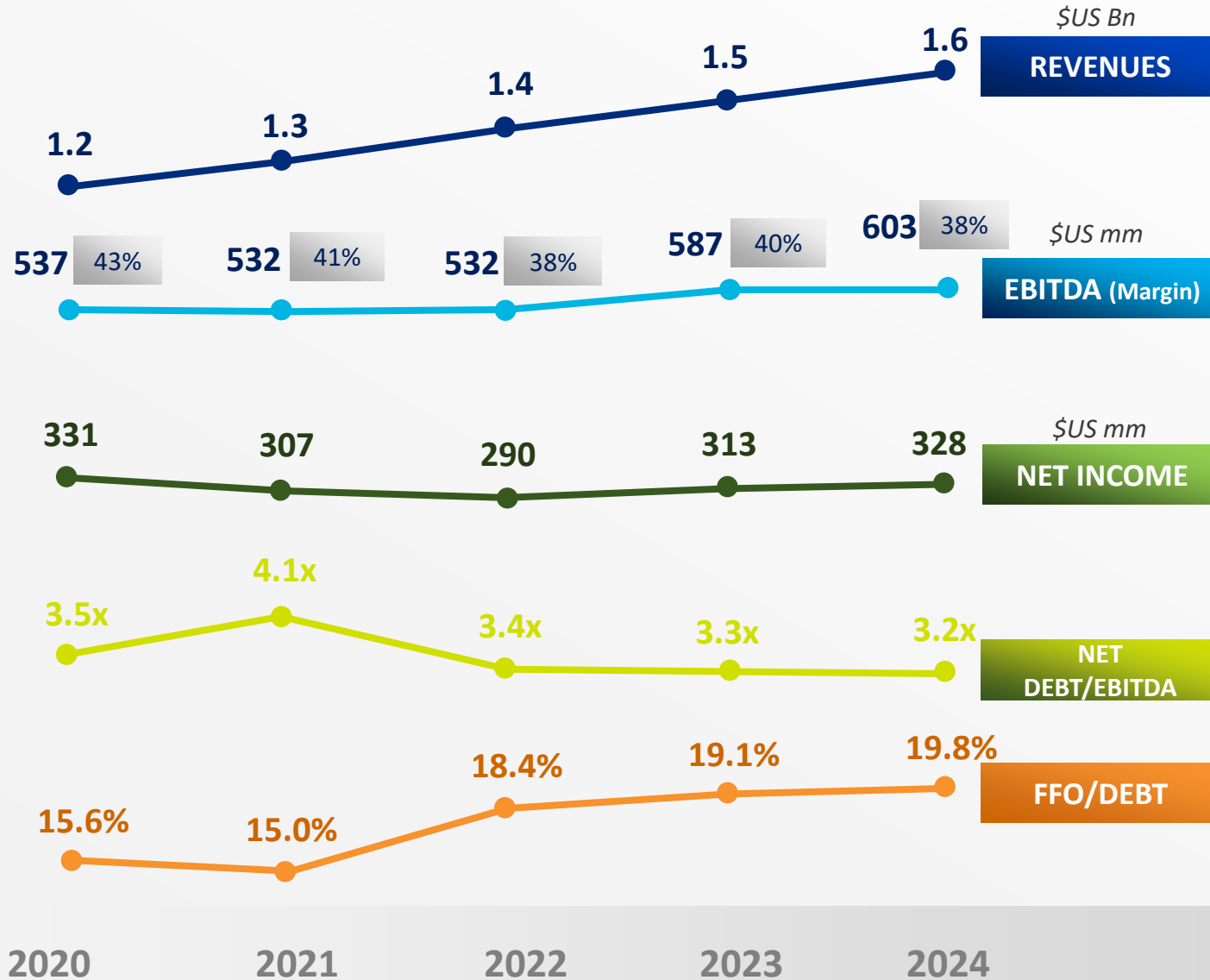
**55%**  
**CONTROLLED**



***“In the last five years we have reached an average payout ratio of 117%, a CAGR of declared dividends of 5%, and a 6% average yield”***

# Financial outlook

5-year projections: soundness and profitability



**US\$ 983 mm**  
Consolidated investments

## Projects



**Pipeline Constructions**  
Natural gas transportation



**Peru Investment Plan**



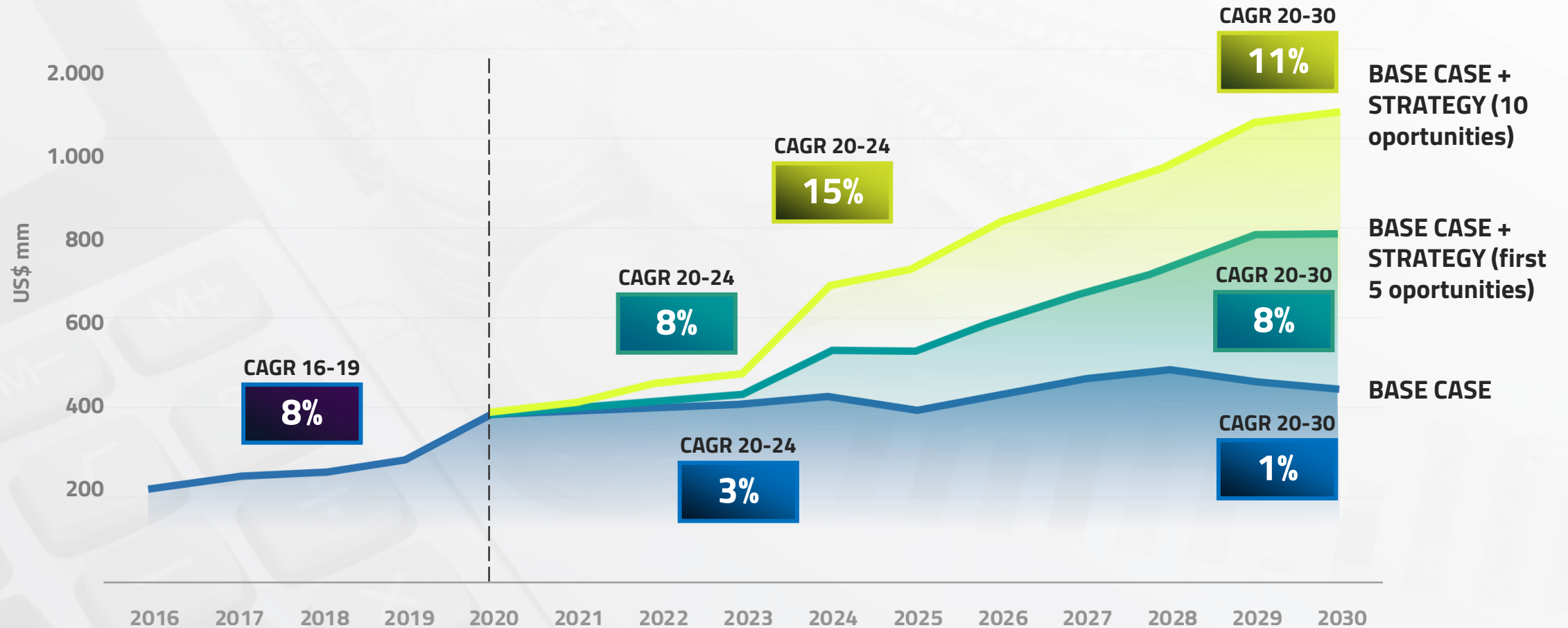
**Acquisition of Gibraltar's gas treatment plant (BOMT)**



**Energy Projects - distribution companies**

# Consolidated EBITDA projections:

Challenging organic growth through strategic planning!



**First 5 opportunities:** Natural gas transportation in Colombia, Natural gas distribution in Peru, SPEC capacity expansion, Brilla y Energy Services.

**Other opportunities:** Ecuador, Brasil, México, Hydrocarbon Treatment, Power Energy Distribution.

# Promigas: New generations Will see

## FENIX PROJECT

Jobo – Transmetano  
Pipeline with a capacity of  
100 MMSCFD.

Current Status: Open Season launched in October 2020.  
Second semester of 2021 expectations: Sign transportation  
contracts.

- Capex: US\$380 mm
- Revenues: US\$82.8 mm
- EBITDA: US\$76.3 mm

## ENERGY SERVICES

- Consolidation of growth vector
- Define Ambition and roadmap
- Current Pipeline: > 170 customers, 225 MWp.
  
- EBITDA 2025: US\$ 10.4 mm.
- Possible associations with international  
players.

## MASSIVE LNG PROJECT

LNG importation to attend Colombia's natural gas  
demand through SPEC's Regasification Unit.

- Stage 0= ≈50 MMSCFD (2021 – 2024)
- Stage 1= ≈100 – 600 MMSCFD from 2025.

Current Status: Evaluation and negotiation of required  
contracts - Stage 0 as of Dic 2021.

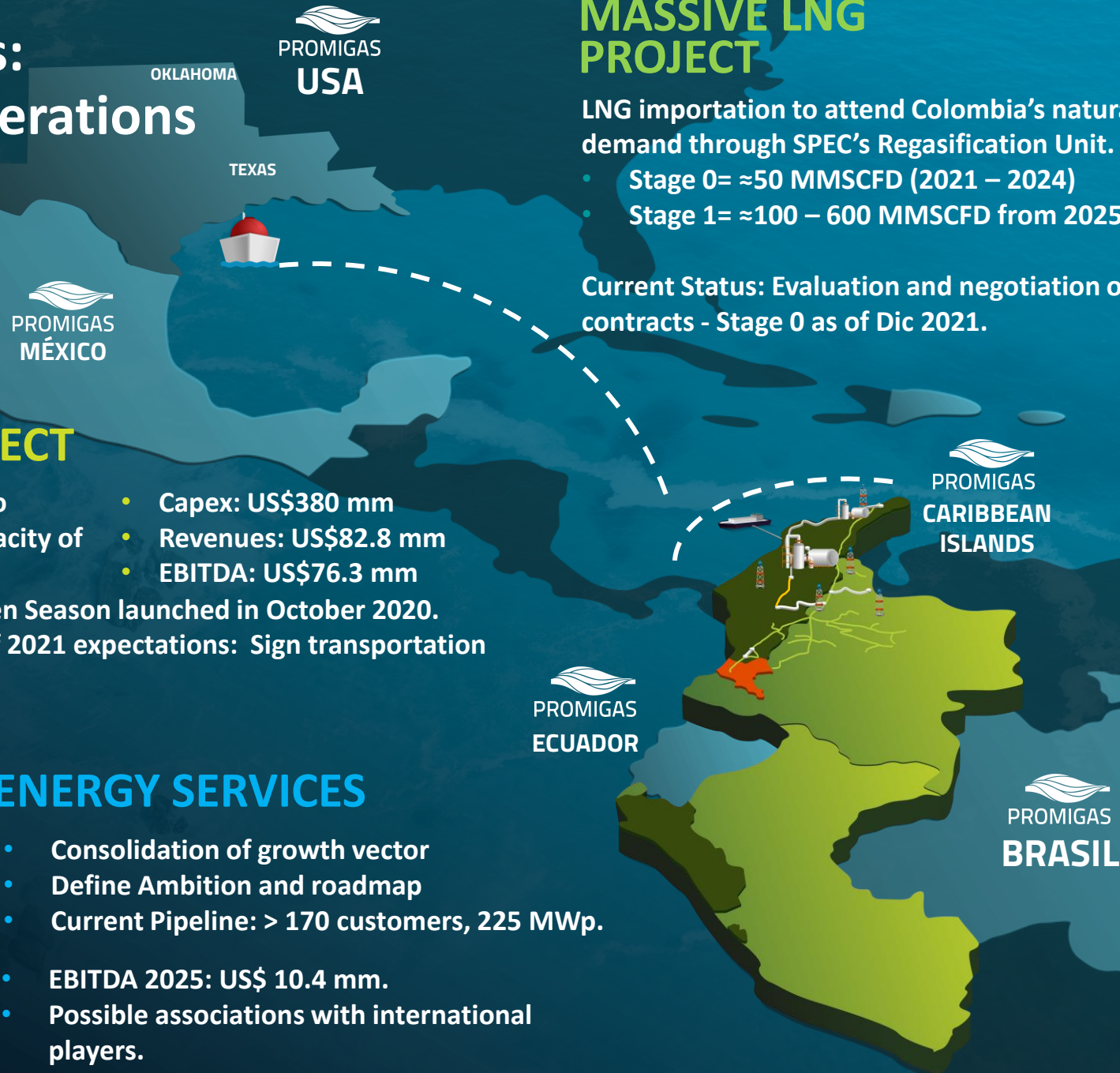
## Brilla

Reach maximum potential in Colombia  
and Perú through digital transformation

- Portfolio ~ US\$1.165 mm (~4x) in  
2030
- EBITDA ~ US\$119 mm in 2030

Current Status:

- Hired database and risk model.
- Consolidation of operating model  
(agile) between Corporate Brilla,  
distribution companies and Enlace.
- Structuring the Center's role with  
subsidiaries.







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# Q&A

You may submit online questions at any time using the window on the webcast or call:

**+1 866-807-9684** (From within the U.S.)

**+1 412-317-5415** (From outside of the U.S.)



@Promigasoficial



Promigas

[investors@promigas.com](mailto:investors@promigas.com)