

# PROMIGAS CORPORATE RESULTS

2Q  
2021



PROMIGAS

# DISCLAIMER

Promigas S.A. E.S.P. is a securities issuer in Colombia that is registered in the National Register of Securities and Issuers. It is therefore required to comply with applicable regulations governing securities in Colombia. It is also a recognized IR ISSUER on the Colombian Stock Exchange (BVC) and has adopted high standards of corporate governance and risk management, as well as criteria for identifying, managing and divulging conflicts of interest. These standards and criteria also apply to its associated companies.

Promigas is governed, principally, by Law 142 of 1994, which establishes the Domestic Public Services System, CREG Resolution 071 of 1999, whereby the Sole Natural Gas Transportation Regulation (RUT) in Colombia is established, regulations which modify these, sector regulations, concession agreements currently in force, its own bylaws, and other provisions as stipulated in the Commercial Code.

The condensed separate interim financial statements have been prepared in accordance with the Accounting and Financial Information Standards accepted in Colombia (NCIF), established in Law 1314 of 2009, regulated by the Sole Regulatory Decree 2420 of 2015 modified by Decrees 2496 of 2015, 2131 of 2016, 2170, 2483 of 2018, 2270 of 2019 and 1432 of 2020. The NCIF applicable in 2021 are based on the International Financial Reporting Standards (IFRS), together with their interpretations, issued by the International Standards Council Accounting (International Accounting Standards Board - IASB); The basic standards correspond to those officially translated into Spanish and issued by the IASB in the second half of 2018 and the incorporation of the amendment to IFRS 16 - Leases: Rent reductions related to Covid-19 issued in 2020.

It should be pointed out that for legal purposes and effects in Colombia, the principal financial statements are individual financial statements. This report may include declarations relating to the future. In some cases, it may identify such declarations using words such as “may”, “will”, “should”, “expect”, “plan”, “envisage”, “believe”, “estimate”, “predict”, “potential” or “continue”, or the opposites thereof and other comparable words. Results may vary materially from those included in this report as a consequence of changes to current circumstances in general, economic and business conditions, changes in interest rates and exchange rates, and other risks as described from time to time in documents which we file with the National Register of Securities and Issuers.

Those to whom this document is addressed are responsible for the way in which the information supplied herein is evaluated and used. The matters described herein and our knowledge thereof may change substantially and materially over time. However, we specifically state that we will not be obliged to review, update or correct information provided in this report, even declarations relating to the future, and that we do not intend to provide any update for such material events prior to our next report of results.

The content of this document and the figures included herein are intended to provide a summary of the subjects referred to, rather than a full description.

# CORPORATE SUMMARY

2Q  
2021



PROMIGAS

# RELEVANT FACTS

2Q  
2021



## Period results

Ebitda: \$520,792 MM ▲ 61% II-2020 – II-2021

Net Income: \$326,638 MM ▲ 108% II-2020 – II-2021



## Period credit ratings

Fitch Ratings: Surtigas AAA (col) y F1+ (col),



## New Fundación Promigas

We decided to join the efforts and resources of all our subsidiaries to become the new **Fundación Promigas**.



**We activated the early entry into operation of Gasees del Norte del Perú on April 29**, bringing forward our contractual commitment to Benefit the families of Piura.



**Promigas among the 25 companies with best private social investment in Colombia**

Promigas ranked 18th out of 140 companies in general ranking.



## Promigas Pride – Merco Talent

Rank 50. ▲ 31 positions Top 5 of the companies in industry.



## Promigas in one clic: [www.promigas.com](http://www.promigas.com)

New corporate web portal and investor site, where our stakeholders can find comprehensive, timely and high-value information.

# RELEVANT DATA BY SBU

Accumulated to June 2021

## SBU TRANSPORTATION



NATURAL GAS

Gas Pipeline Network

**3,287 KM**

Transportation Capacity

**1,153 MCFD**

Volume Transported

**431 MCFD**



LNG

Regasification Capacity

**400 MCFD**

Volume Regasified

**799 MCF**

Days Regasified

**23**



INDUSTRY SOLUTIONS

Generation Capacity

**47 MW**

Gas Treatment Capacity

**35 MCFD**

## SBU DISTRIBUTION



NATURAL GAS

|               | Colombia                             | Peru                                | Total                               |
|---------------|--------------------------------------|-------------------------------------|-------------------------------------|
| Users         | <b>3.9 MM</b><br>Δ4%                 | <b>1.3 MM</b><br>Δ20%               | <b>5.2 MM</b><br>Δ7%                |
| Towns Served  | <b>884</b><br>Δ4%                    | <b>52</b><br>Δ24%                   | <b>936</b><br>Δ5%                   |
| Networks Laid | <b>50,323 KM</b><br>Δ2%              | <b>16,280 KM</b><br>Δ17%            | <b>66,603 KM</b><br>Δ5%             |
| Gas Sold      | <b>1,878 MMm<sup>3</sup></b><br>Δ12% | <b>3,860 MMm<sup>3</sup></b><br>Δ7% | <b>5,739 MMm<sup>3</sup></b><br>Δ9% |



NON-BANK FINANCING

|       |                       |           |                         |           |                              |
|-------|-----------------------|-----------|-------------------------|-----------|------------------------------|
| Users | <b>3.9 MM</b><br>Δ10% | Portfolio | <b>\$1.2 BN</b><br>Δ18% | Placement | <b>\$456,555 MM</b><br>Δ119% |
|-------|-----------------------|-----------|-------------------------|-----------|------------------------------|



ELECTRIC POWER

|                   |                     |        |                       |               |                         |
|-------------------|---------------------|--------|-----------------------|---------------|-------------------------|
| Accumulated Users | <b>416,303</b> Δ3%  | Losses | <b>12.4%</b><br>Δ-16% | Networks Laid | <b>28,300 KM</b><br>Δ4% |
| Energy Demand     | <b>479 GWh</b> Δ-1% |        |                       |               |                         |

# FINANCIAL RESULTS INDIVIDUAL

## 2Q | 2021

### Revenue

\$0.4 Bn (Exec. **113%**)

▲ 58%

### Ebitda

\$0.4 Bn (Exec. **120%**)

▲ 79%

### Net income

\$0.3 Bn (Exec. **121%**)

▲ 108%

Var. 2021 - 2020



# FINANCIAL RESULTS INDIVIDUAL

Accumulated  
**june**

# 2021

## Revenue

\$0.8 Bn (Exec. **108%**)

Var. 2021 - 2020

▲ **30%**

## Ebitda

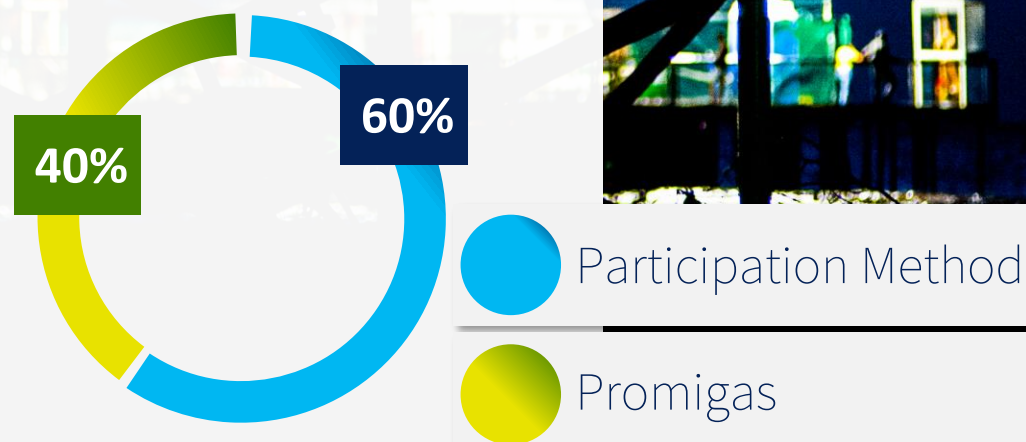
\$0.7 Bn (Exec. **113%**)

▲ **39%**

## Net income

\$0.6 Bn (Exec. **114%**)

▲ **41%**



# FINANCIAL RESULTS CONSOLIDATED

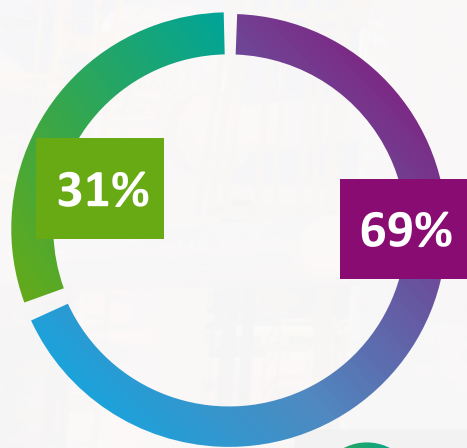
# 2Q | 2021

## Revenues <sup>(1)</sup>

\$1.1 Bn (Exec. **97%**)

Var. 2021 - 2020

▲ 13%

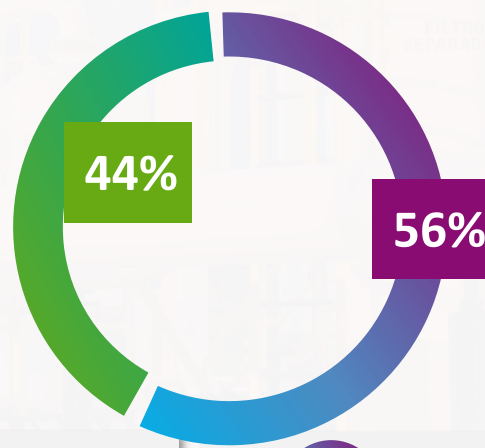


● Transportation

## Ebitda <sup>(2)</sup>

\$0.5 Bn (Exec. **109%**)

▲ 61%

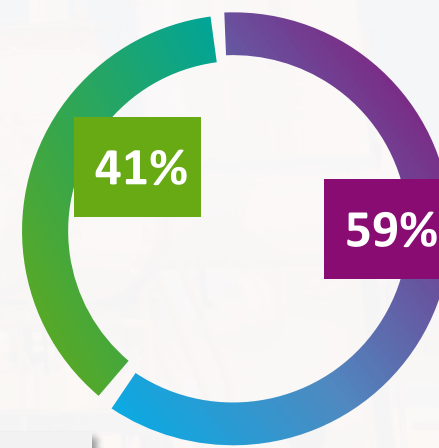


● Distribution

## Net income

\$0.3 Bn (Exec. **122%**)

▲ 108%





# FINANCIAL RESULTS CONSOLIDATED

Accumulated  
**june**

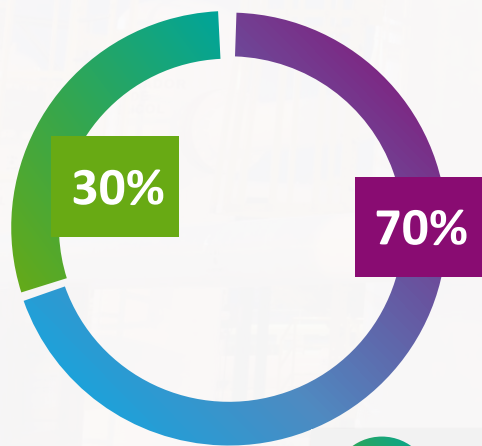
# 2021

## Revenue <sup>(1)</sup>

\$2.1 Bn (Exec. **97%**)

Var. 2021 - 2020

▲ 5%

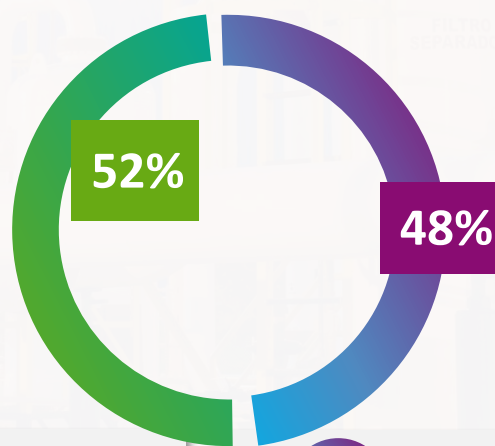


● Transportation

## Ebitda <sup>(2)</sup>

\$1.0 Bn (Exec. **106%**)

▲ 31%

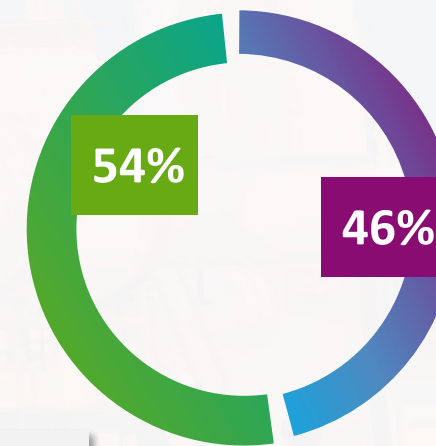


● Distribution

## Net income

\$0.6 Bn (Exec. **114%**)

▲ 42%



# RESPONSE COVID-19

Planning  
Strategic  
Management  
Adaptability  
Resilience



**100% Normal Operations**



**HR**

*\* Empleados directos*

**36% • 864\***

HOME OFFICE

**26% • 624\***

ALTERNANCY

**38% • 912\***

FIELD WORK  
/ OFFICE



**Prevention Strategy**

Biosecurity protocols, covid-19 testing plan, safe facilities.



**Financing Strategy**

Resources guaranteed for CAPEX 2021 base plan.



**Customer Support**

Financing programs implemented during the health emergency benefited users from income brackets 1, 2 and 3.



**Continued community aid**

RESULTS

# SBU TRANSPORTATION

| 2Q  
2021



PROMIGAS

SPEC



## RESULTS

# TRANSPORTATION SBU

— 2Q  
2021

SAFE AND RELIABLE INFRASTRUCTURE AT THE SERVICE OF THE COUNTRY'S ENERGY MATRIX



COMPANIES

| SBU Transportation<br>Millions of COP | 2020<br>Apr - Jun | 2021<br>Apr - Jun | Var% | 2020<br>Jan - Jun | 2021<br>Jan - Jun | Var% |
|---------------------------------------|-------------------|-------------------|------|-------------------|-------------------|------|
| Revenue                               | 307,324           | 344,251           | 12%  | 660,794           | 677,237           | 2%   |

Figures 100% controlled companies, before eliminations. Does not include income from construction of concessions.

# NATURAL GAS TRANSPORTATION RELEVANT ASPECTS

## THERMOELECTRIC SECTOR

- Thermal customers have shown a significant **decrease in their shipments** due to **the high hydrological contributions** in the first months of the year.
- This situation has resulted in a **decrease in gas consumption** associated with this sector (24% in 2020 and 2% of all consumption).
- In 2Q2021 there was some **maintenance** done on the lines of the STN Costa-interior, which did not significantly impact the shipments of the period.

## NON-THERMOELECTRIC SECTORS

- Gas consumption in non-thermoelectric sectors **increased 18%** compared to 2Q2020, mainly due to an **increase in industrial consumption** ( $\Delta 24\%$  or 29.6 Mcfd) an effect of the **economic reactivation**.
- **Slight effects** continue to appear in the market served by distributors and a **recovery is observed in the vehicular gas sector**.

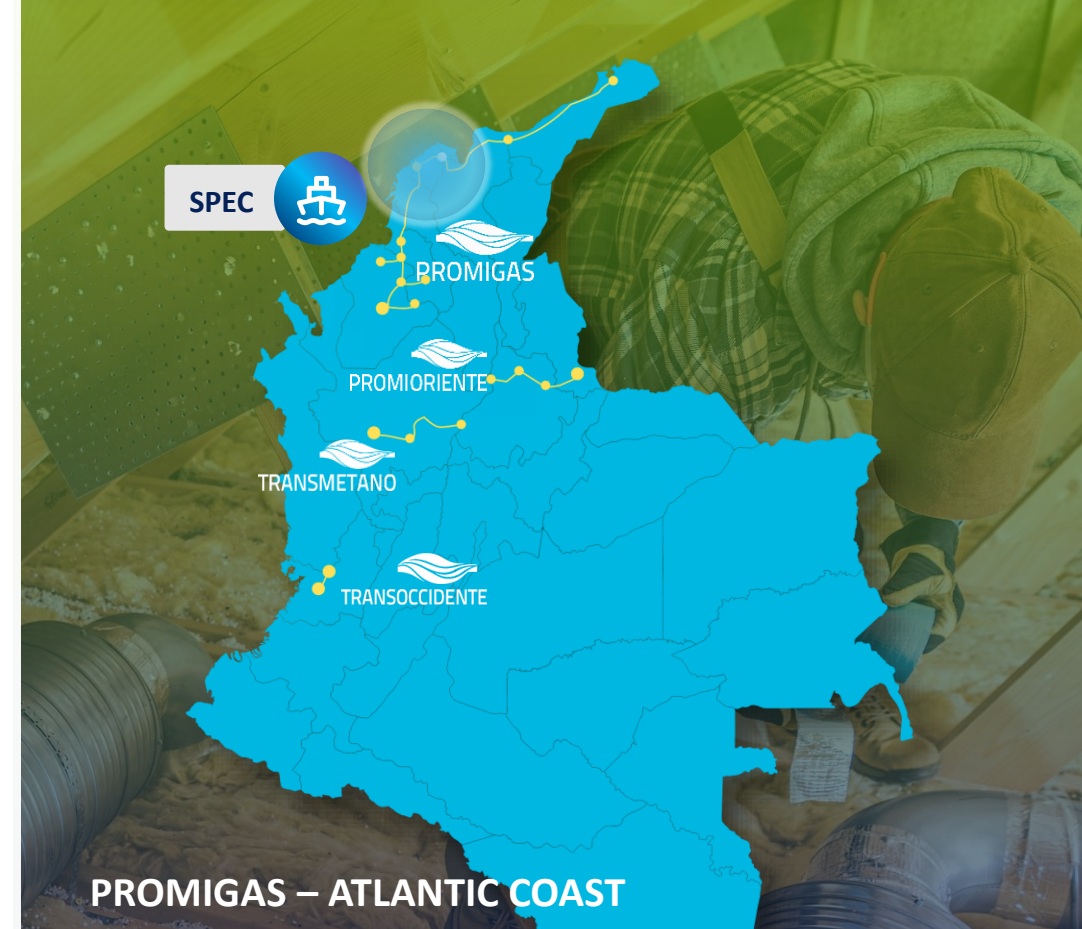
At the end of the first quarter of the year, Promigas achieved:

**2,755.5 KM**

Length of gas pipelines

**951 MCFD**

Transportation capacity



## PROMIGAS – ATLANTIC COAST

| Volume Consumed by Sectors (MCFD) | 2020<br>Apr - Jun | 2021<br>Apr - Jun | Var%       |
|-----------------------------------|-------------------|-------------------|------------|
| Thermoelectric                    | 156.0             | 118.8             | -24%       |
| Industrial                        | 124.5             | 154.1             | 24%        |
| Distributor                       | 36.5              | 33.6              | -8%        |
| GNVC                              | 4.8               | 8.2               | 73%        |
| <b>TOTAL</b>                      | <b>321.8</b>      | <b>314.8</b>      | <b>-2%</b> |

# TRANSPORTATION NATURAL GAS



## Volume transported (MCFD)

 PROMIORIENTE

Apr-Jun  
2020  
27

Apr-Jun  
2021  
35

Var%  
**+33%**

- Strong recovery in industrial demand and regulated by the effect of economic reactivation.
- Barrancabermeja refinery with high levels of consumption due to increases in crude oil load.

## Volume transported (MCFD)

 TRANSMETANO

Apr-Jun  
2020  
40

Apr-Jun  
2021  
50

Var%  
**+25%**

- Consumption outlook remains positive due to recovery in the face of the effects of the pandemic, even exceeding pre-Covid levels.

# RELEVANT ASPECTS



**PROMISOL**

Natural Gas  
Infrastructure and  
Energy Solutions



Promisol continued the execution of the **framework contract for corrective and preventive maintenance services** for Promigas, **exceeding contractual promises.**



**Successful operation of the Bonga and Mamey hydrocarbon treatment plant, meeting the expectations** of Hocol in terms of operational availability agreements.



Positive progress in the construction of **the Zona Bananera gas pipeline.** Successful completion of **pipeline replacement in Riohacha – Guajira.** The mechanical work was finalized in July.



Sociedad  
Portuaria  
El Cayao

Key actor in country's energy  
matrix reliability

STRATEGIC PROXIMITY TO  
INTERNATIONAL LNG MARKETS

**4.5**  
Years in Operation

**170,000 m<sup>3</sup>**  
LNG  
Storage Capacity

**400 MCFD**  
Regasification  
Capacity

# SPEC LNG

## RELEVANT ASPECTS OF A STRATEGIC ASSET FOR THE SECTOR AND THE COUNTRY

| Operational Highlights           | 2020<br>Apr - Jun | 2021<br>Apr - Jun | Var%  | 2020<br>Jan - Jun | 2021<br>Jan - Jun | Var%   |
|----------------------------------|-------------------|-------------------|-------|-------------------|-------------------|--------|
| Number of LNG Shipments          | 5                 | 1                 | -80   | 12                | 1                 | -91.66 |
| Received LNG (M3)                | 226,700           | 40,514            | -82.1 | 547,493           | 40,514            | -92.60 |
| GN delivered (MCF)               | 4,214.2           | 491               | -88.3 | 10,088.2          | 799.14            | -92.07 |
| Days regasified (non-continuous) | 73                | 11                | -84.9 | 142               | 23                | -83.8  |



High levels of reservoirs during the year (72.63% in 2021 vs 35.76% in 2020 on average) have favored hydroelectric generation over thermal.



2020 activity reflects the continuous operation of the plant, guaranteeing electricity generation during the pandemic, when the country needed it most.



# NATURAL GAS TRANSPORTATION REGULATORY ASPECTS

## TRANSPORTATION COMMERCIALIZATION



- Between April and May, carriers and senders were able to enter into firm and interruptible contracts on a bilateral basis, within the framework of the transition to quarterly contracting under the new schemes of Res 185-20.
- This was possible thanks to Res 026 of Apr-21, which made these contracts feasible, thus meeting the short-term transportation needs of users.

## DISCOUNT RATE REGULATED ACTIVITIES



- Res 073 of Jul-21 established a change in the WACC.
- The industry does not agree with these proposals since it does not encourage private investment.
- The new GICS code to be applied to the gas transportation activity is under consultation (Res 081 of Jul-21). Promigas carries out analyzes and steps so that it represents transport activity and its risks.

## TRANSPORTATION METHODOLOGY



- Promigas continues to take steps to obtain a favorable remuneration methodology for the continuity and growth of the natural gas transportation business in Colombia.
- Final resolution is expected in the 2nd semester of 2021.



**CREG**

Comisión de Regulación  
de Energía y Gas

RESULTS

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# SBU DISTRIBUTION

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**2Q**  
**2021**



PROMIGAS



# RESULTS SBU DISTRIBUTION

— 2Q  
2021

SAFE AND RELIABLE SERVICE FOR OUR USERS, GUARANTEED

COMPANIES

| SBU Distribution<br>Millions of COP | 2020<br>Apr - Jun | 2021<br>Apr - Jun | Var% | 2020<br>Jan - Jun | 2021<br>Jan - Jun | Var% |
|-------------------------------------|-------------------|-------------------|------|-------------------|-------------------|------|
| Revenue                             | 691,256           | 781,990           | 13%  | 1,466,052         | 1,555,170         | 6%   |

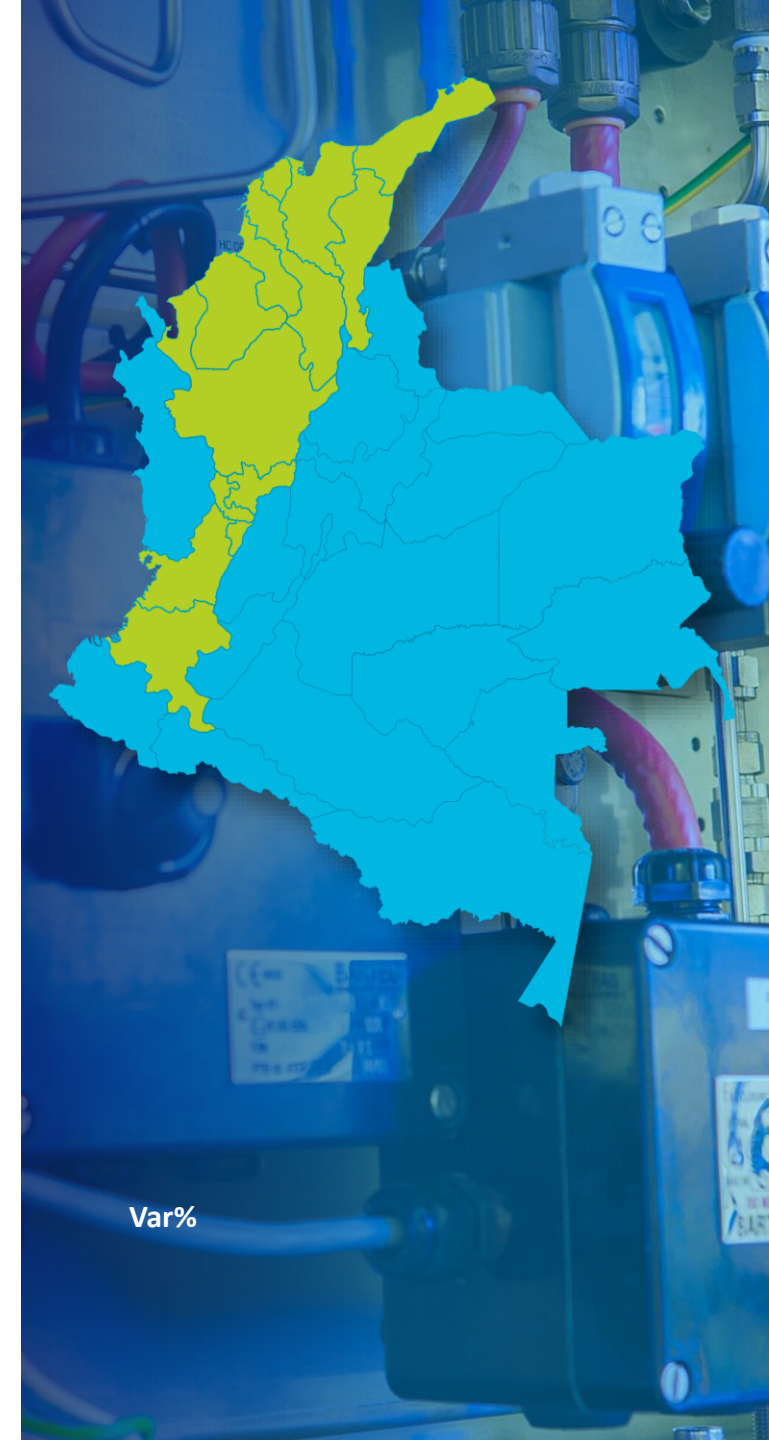
Figures 100% controlled companies, before eliminations. Includes the Participation Method of Cálidda and Gases del Caribe. Does not include income from construction of concessions.

# NATURAL GAS DISTRIBUTION RELEVANT ASPECTS

## DESPITE THE SITUATION OF PUBLIC UNREST IN COLOMBIA, GAS COMMERCIALIZATION INCREASED IN 12%.

Greater impact on operations and consumption in GdO and CEO

- Quavii saw the gas supply to its industrial customers affected by 32 days of damage to the Peru LNG liquefaction plant.
- In its effort to reduce energy losses, CEO records a business loss indicator of 12.4% (lower than the contractually required 17.00%).
- Quavii accumulates 140,108 users, 95% of the BOOT commitment.
- It achieved the allocation of FISE resources for our area of influence, allowing the continuation of the massification of natural gas benefits.
- Gasnorp Piura project progress of 41%, 74km of steel and 70 of polyethylene.
- On June 9, Surtigas obtained ratification of “AAA” Rating with a stable outlook by Fitch Ratings. (8th consecutive year with the highest credit rating).



Var%

# NATURAL GAS DISTRIBUTION

## RELEVANT ASPECTS

### ACCUMULATED RESULTS

#### Volume G.N.

5,739 MMm3

Var. 9%

80% distribution  
20% commercialization

#### CAPEX

\$464,484 MM

Var. 132%

48% controlled  
52% not controlled

#### Demand E.E.

479 GWh

Var. -1%

#### Towns Served

936

Var. 5%

#### Users

5,618,177

Period\* 208,773

\* 36% Col 64% Perú

#### Brilla Placement

\$456,555 MM

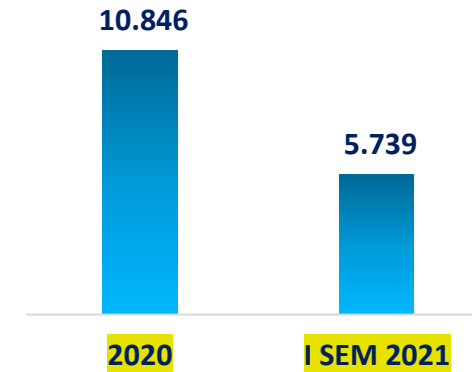
Var. +119%

\* Period Participation

### Natural Gas Volume MMm3



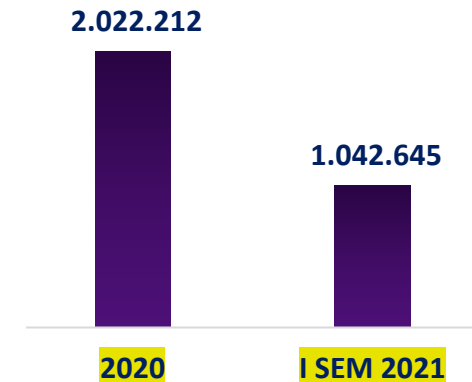
Commercialization of natural gas showed a significant recovery compared to the same period of the previous year. Distribution + 6% (+ 275MMm3)  
Commercialization + 19% (+ 181MMm3)



### EBITDA



EBITDA growth of \$243,582MM vs. first semester of 2020 due to economic reactivation. Colombia + 5% Peru + 73%



# TECHNOLOGICAL TRANSFORMATION ALWAYS AT THE FOREFRONT

## SMART MEASUREMENT



Meters that integrate communication systems and technologies allowing two-way communication with customers.

## APP



## ON-SITE BILLING



Allows on-site reading and consumption billing.

## PRE-PAYMENT MEASUREMENT



Installation of meters for the provision of gas and energy services according to the user's payment capacity.

## CHATBOT



Simulates y processes human conversations 24/7.

## OBJECTIVES



Improving customer satisfaction



Data intelligence



Greater proximity to customers



Operational efficiencies



Cost reduction



Reduction of bad debt



Decrease in non-operational losses

**+190%**

Increase in fleet of dedicated vehicles operating in areas of influence.

53 units in  
1st Semester of 2020

153 units in  
1st Semester of 2021

**2**

Garbage collection companies decide to take first steps with vehicular natural gas (Veolia & Urbaser).

**11%**

Increase in volume demand compared to the first half of 2020, despite mobility restrictions and public order disturbances.

# MOBILITY RESULTS

## MILESTONES

- Promigas continues to promote sustainable freight transport in Colombia, being the alternative that best balances environmental and economic factors.
- Vehicular Natural Gas is the most accessible alternative fuel in Colombia, contributing to the country's energy transformation process.

**2Q**  
**2021**

**COVERAGE OF GNV STATIONS IN COLOMBIA**



# ENERGETIC SERVICES

## PROJECT LOCATIONS

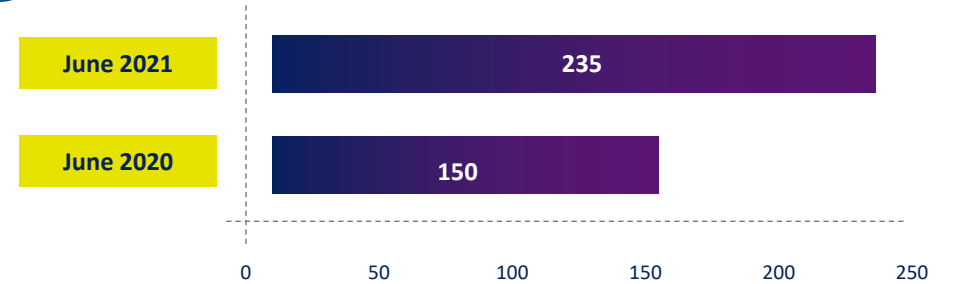


## HIGHLIGHTS

- In 1S 2021, the Energy Services strategy was approved, including photovoltaic solar energy, auto / cogeneration, energy efficiency and energy districts.
- Promigas is committed to being the best ally of its customers in their needs for renewable energy, sustainability and energy transformation.
- Caribe Plaza went into operation on May 30 with an installed capacity of 1MW.



## COMMERCIAL TARGET SIZE MWp



## SOLAR FV CAPACITY UNDER DEVELOPMENT

| 1S 2021  | 1S 2020  | Var%  |
|----------|----------|-------|
| 15.7 MWp | 10.5 MWp | 49.5% |



## OPERATIONAL CAPACITY

| 1S 2021 | 1S 2020  | Var% |
|---------|----------|------|
| 4.8 MWp | 0.65 MWp | 638% |



## IMPORTANT ALLIES





# BRILLA: NON-BANK FINANCING RELEVANT ASPECTS

## In 2Q 2021:

- Quotas were unified, leveling all companies with increases between 10% and 30%.
- Tools were enabled to strengthen the relationship with users in different financing lines.
- Improvements in the risk model with new allocation criteria according to payment behavior.
- Digitization of Brilla credit: Launch of new Brilla sales platform with digital transactions.

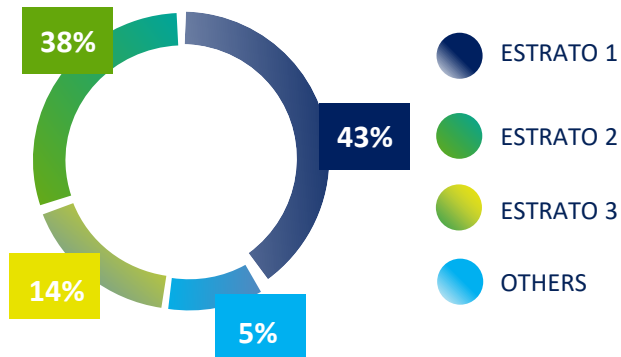
## RESULTS IN 2Q 2021:

**100 K**  
Users benefited

Δ490%

**3.9 Million**

Since the beginning of the program



## MAIN BRILLA FIGURES ACCUMULATED AS OF JUNE 30, 2021:

**\$ 456,584 MM**

Placement – Δ119%

**\$ 1,171,322 MM**

Portfolio – Δ18%

770 K Users in portfolio

ICV + 90: 4.43%

Lower than the national banking average for business-like financial products.



# REGULATORY ASPECTS



## TRANSVERSAL

- Law 2099 of 2021 was enacted to strengthen Law 1715 of 2014 regarding the energy transition, the revitalization of the energy market, the economic reactivation of the country.



## ELECTRICITY

- Considering the requirement of commercialization agents, that as of 2023 10% of the annual energy purchases come from NCSRE (Non-Conventional Sources of Renewable Energy), through Resolution 40179 of 2021 the third long-term contract auction for electric power generation projects is called.



## NATURAL GAS

- Administrative acts in process for the definition of the distribution charge of Surtigas and GdO.
- All requirements have been met by CREG, its approval is estimated by December 2021.
- CREG published document "Analysis of Wholesale Natural Gas Commercialization" where possible solutions to current market problems are defined, such as:
  - ✓ Efficient price formation
  - ✓ Flexibilization of commercialization rules
  - ✓ Establishment of complementary commercialization mechanisms
- Via Circular 043 of 2021, the Natural Gas commercialization schedule for 2021 is published. The maximum term for registration of long-term gas contracts is August 10.



## PERU

- Decree 12-2021 EM, Regulation to optimize the use of Natural Gas and creates the Natural Gas Manager.
- The purpose is to regulate the operations of the secondary natural gas market in order to ensure the efficient use of volumes and / or transport capacity of natural gas not used in firm obligations in the primary market.





# **CORPORATE ASPECTS**

**SUSTAINABLE MANAGEMENT (ESG)**

# NEW FUNDACIÓN PROMIGAS

STRONGER | MORE IMPACT | CLOSER TO OUR PEOPLE



## LINES OF ACTION



EMPLOYMENT  
EDUCATION



PRODUCTIVE  
PROGRAMS



LOCAL  
GOVERNMENT AND  
PARTICIPATION

## SUSTAINABLE DEVELOPMENT

At Fundación Promigas, we join efforts from the regions to contribute to the improvement of the quality of life and well-being of our communities, located in the areas of influence of Promigas and its subsidiaries in Colombia and Peru.

OUR LINES OF ACTION IN 11 DEPARTMENTS OF COLOMBIA AND PERU



|  |  |
|--|--|
|  | GUAJIRA<br>MAGDALENA<br>ATLÁNTICO<br>CESAR |
|  | ATLÁNTICO                                  |
|  | SANTANDER                                  |
|  | Sociedad Portuaria El Cayao<br>BOLÍVAR     |
|  | ANTIOQUIA                                  |
|  | VALLE DEL CAUCA                            |
|  | VALLE DEL CAUCA                            |
|  | CAUCA                                      |
|  | BOLÍVAR<br>SUCRE<br>CÓRDOBA                |
|  | <b>COLOMBIA</b>                            |

|  |   |
|--|---|
|  | PIURA<br>LAMBAYEQUE<br>CAJAMARCA<br>LA LIBERTAD<br>ANCASH |
|  | <b>PERÚ</b>   |



# PROMIGAS AMONG THE 25 COMPANIES WITH THE BEST PRIVATE SOCIAL INVESTMENT INDEX IN COLOMBIA



*“ We are pleased to be included for the second consecutive year in this group of companies that stand out for their economic contribution to the country. With passion, commitment and teamwork we will continue to invest to improve the living conditions of the communities and contribute as an engine of the economic recovery of the country”*

- Results were presented in the **fifth version of the IISP – Private Social Investment Index** --, which recognizes the best practices of private social investment in Colombia. In total, 140 companies participated, and we were **ranked number 18 in the general ranking** .
- Recognitions like this motivate us to continue **working day by day for the welfare of society and the progress of the country.**
- We are convinced that with passion, commitment and teamwork **we can continue to build territories that are always sustainable, always innovative and always humane.**

# PROMIGAS, ONE OF THE 100 LARGEST COMPANIES IN COLOMBIA AND WITH GREATER RESILIENCE DURING THE PANDEMIC



***#GoodEnergyAlways***



- In June 2021, Revista Semana recognized us as **one of the 100 largest companies in Colombia and most resistant during the pandemic crisis.**
- At Promigas we **always look forward** and despite the crisis left by the global pandemic, **we managed to meet our goals.** We do not fail users with the provision of our services, and we advance in our projects without major obstacles.
- The health of our collaborators, guaranteeing the continuity of the services we offer, showing solidarity with the most vulnerable communities and maintaining the financial stability of our companies, were the actions we deployed **to face the pandemic with #GoodEnergyAlways.**

# PROMIGAS TALENT OUR PRIDE

We are proud to have a highly committed human team that allows us to always move forward with good energy every day.

## MERCO TALENT 2021

Ranking highlights us in the top 5 of the companies in the sector.

Companies with more capacity to attract and retain talent.

We are part of the Colombian companies with the best ability to attract and retain talent, according to the ranking delivered by MERCO TALENT, in which we ranked 50, rising 31 positions compared to the previous year.

*“Merco, Business Monitor of Corporate Reputation, gives this recognition to Promigas and companies as a result of the commitment, commitment and dedication of each one of you.”*





SPECIAL  
INNOVATION

2Q  
2021



PROMIGAS



# INNOVATION PROJECTS IN PROGRESS IN INDUSTRY 4.0

Supported by Industry 4.0 technologies, we deliver more value to our clients, develop new products, processes and services, and strengthen our competitive position.

## INFRASTRUCTURE MONITORING



We are developing a **monitoring platform** using satellite images, fiber optics, drones, advanced analytics and georeferenced tours.



## AUGMENTED REALITY



We are implementing an **Augmented Reality (AR)** system to support the operation and maintenance processes in compressor stations.



We completed the development of a **Virtual Reality (AR)** model of the Filadelfia Compressor Station.

## VIRTUAL REALITY



## ANALYTICS CENTER



We are designing a center for **data mining** of operational data in various information sources, to provide actionable analysis to decision makers.





## FLAGSHIP PROJECTS OF INNOVATION FOR THE QUARTER

### First Compressor Station with Twin in Virtual Reality

*Entered operation in May 2021*



Allows interaction of multiple users.



Identify critical equipment and its  
technical attributes



Personnel training and modification  
planning



“ The results of the semester confirm the strategic role that Promigas and its portfolio play in the energy matrix of Colombia and Peru and our capacity to recover in an environment full of challenges, as well as the integral management developed in the different fronts in which we deploy our activities.

Supported by the commitment and quality of our human group, with Excellence, Integrity and Solidarity, values rooted in our organizational culture, we bring well-being to all our stakeholders.

”

*Eric Flesch*  
CEO



PROMIGAS

# FINANCIAL STATEMENTS

| 2Q  
2021

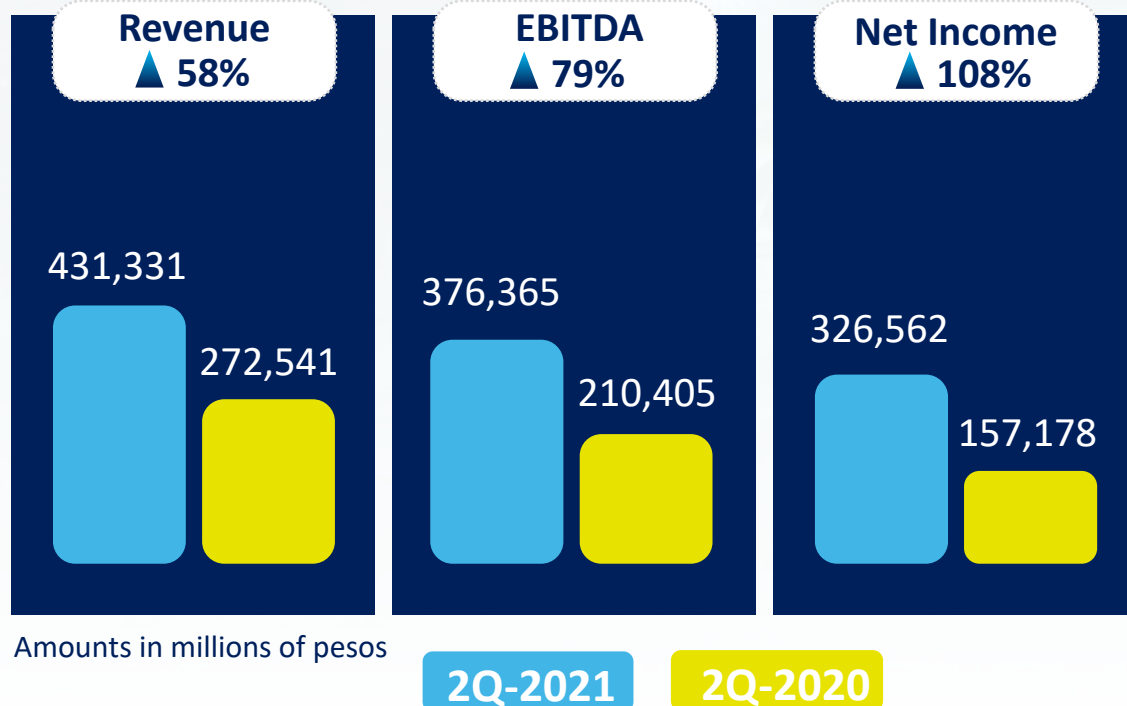


PROMIGAS

# FINANCIAL STATEMENTS

## PROMIGAS PROFIT AND LOSS STATEMENT | Individual

2Q 2021 – 2Q 2020



Revenue \$431,331 MM (113% Budget)

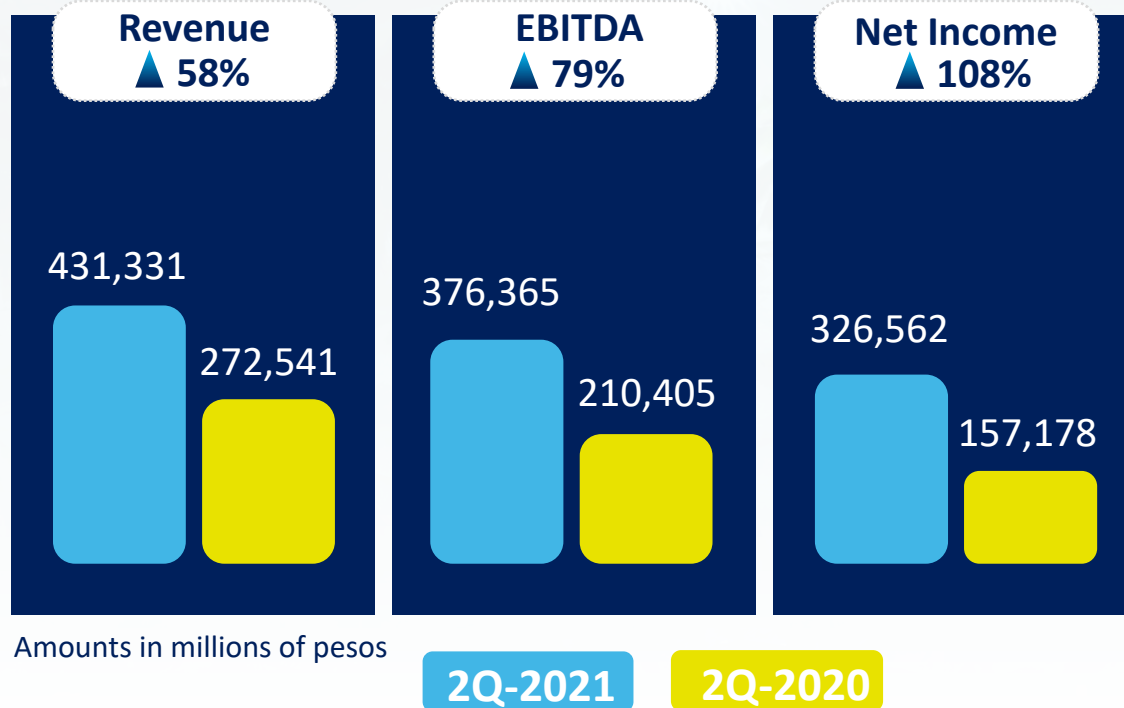
**Operating Revenue (12%):** Increase due to higher volumes transported in the non-regulated sector associated with the greater number of deliveries by Canacol to meet thermal demand; Increase in the hiring of forwards from 70% of revenues (average strike of \$ 3,509 in 2020) to 78% (average strike of \$ 3,682 in 2021).

**Participation Method (140%):** Increase in the participation method due to the mandatory application of IFRS 15 in our subsidiaries Gases del Pacifico and Gases del Norte del Perú, recognizing a margin associated with the performance obligation to build the infrastructure of the concessions. Likewise, the best results are because of the contractual flexibilities granted to our transportation and distribution clients in 2020 as a result of the health emergency caused by Covid-19, and to the gradual recovery of gas and electric consumption during 2021.

# FINANCIAL STATEMENTS

## PROMIGAS PROFIT AND LOSS STATEMENT | Individual

2Q 2021 – 2Q 2020



### EBITDA \$376,365 MM (120% Budget)

Increase mainly generated by higher operating income and the participation method, as well as a decrease in costs and expenses due to lower provisions of the FNB business as a result of the improvement in the quality of the portfolio, which was affected in 2020 as a consequence of the economic crisis caused by Covid-19.

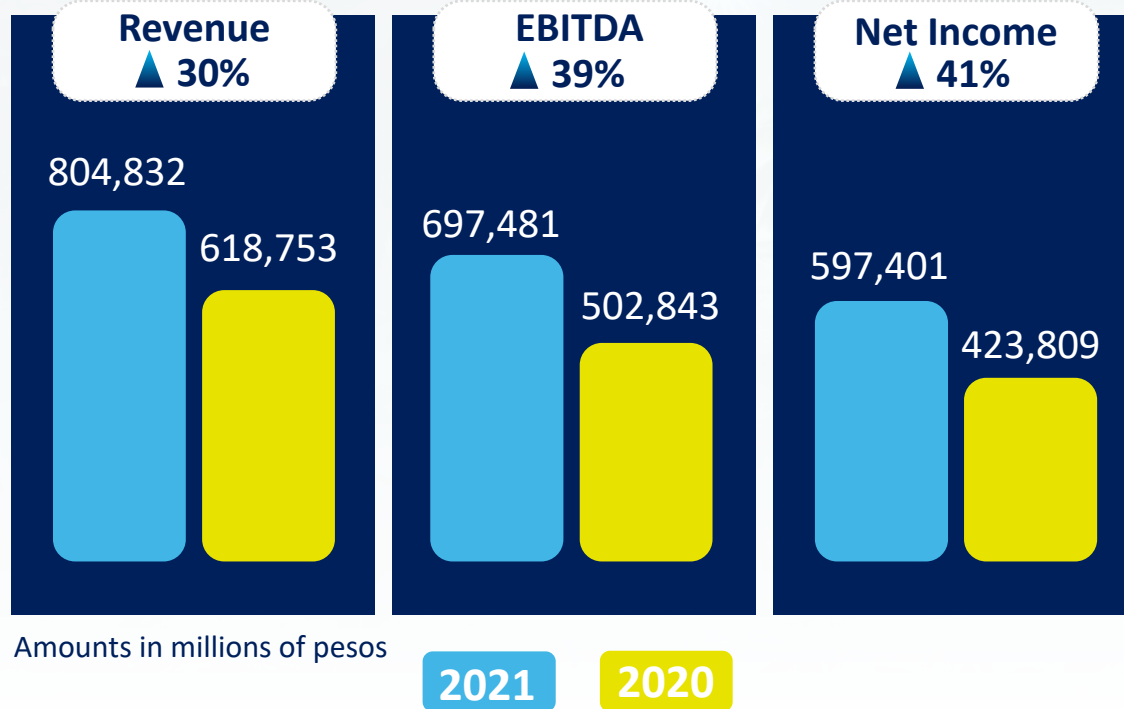
### Net Income \$326,562 MM (121% Budget)

Increase mainly because of a higher EBITDA, higher income from financial assets due to the updating of real operating and macroeconomic variables, and lower donations, considering that in 2020 aid was provided in order to support communities mitigate the effects generated by the pandemic.

# FINANCIAL STATEMENTS

## PROMIGAS PROFIT AND LOSS STATEMENT | Individual

### Accumulated 2021 – Accumulated 2020



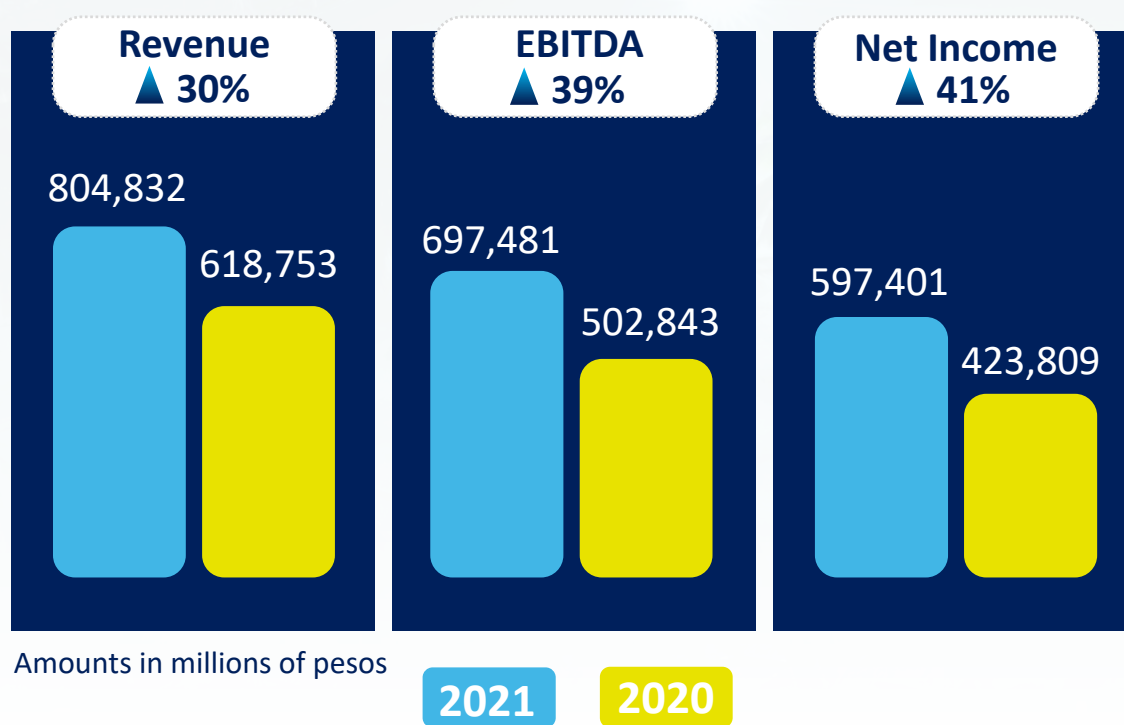
Revenue \$804,832 MM (108% Budget)

**Participation Method (71%): Gasnorp:** increase due to the application of IFRS 15, associated with the concession and better operating results. **Surtigas:** increase due to higher results via the participation method of Peru, lower portfolio provision and higher profit in the gas, materials and FNB businesses. **GDO:** Increased profit in the gas business as a result of lower costs, lower portfolio provision expense and higher participation method due to better CEO results. **Cálidda:** Increase caused by better results in the distribution business due to higher invoiced volume and installations attributable to higher income in internal and connections; Likewise, a lower portfolio provision was recorded in 2021. **Promioriente:** Increase in the volume transported due to higher consumption by Ecopetrol. In 2020 there was an emergency in the Gibraltar gas pipeline caused by a gas leakage, flexibility in transport contracts as the effects of Covid-19.

# FINANCIAL STATEMENTS

## PROMIGAS PROFIT AND LOSS STATEMENT | Individual

### Accumulated 2021 – Accumulated 2020



#### EBITDA \$697,481 MM (113% Budget)

Increase generated mainly by higher income from the participation method and the decrease in costs and expenses due to the external support that was received in 2020 for the definition of the Corporate Strategic Plan and, by lower provisions of the FNB business as a result of the improvement in the quality of the portfolio, which was affected in 2020 as a result of the economic crisis caused by Covid-19.

#### Net Income \$597,401 MM (114% Budget)

Increase as a result of higher EBITDA, higher financial income generated by the disbursement of loans to related companies and higher income from financial assets due to the update of operating and macroeconomic variables. The foregoing was partially offset by higher financial expenses on account of a higher average debt balance and higher income tax (lower CEJ tax benefit caused by lower investments as a result reprogramming, because of limitations due to Covid-19 in areas of influence.



# FINANCIAL STATEMENTS

## PROMIGAS BALANCE SHEET | June 2021 vs December 2020

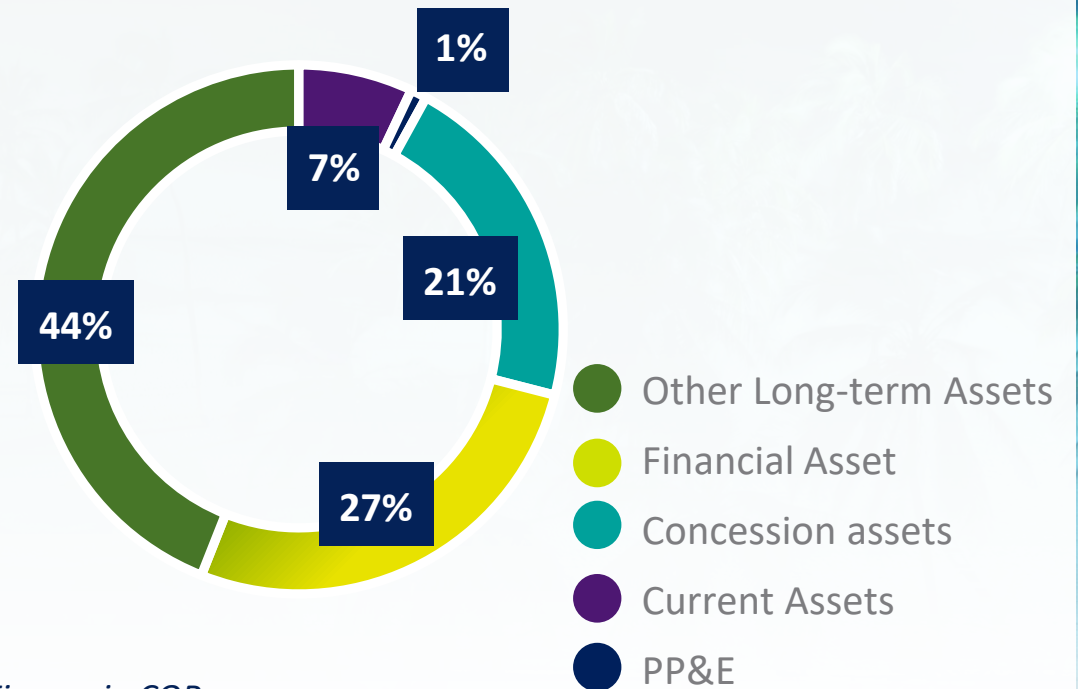
**Other Current Assets (119%):** increase due to dividends decreed by related companies in the March 2021 shareholder meeting, which had an increase of 2% compared to those decreed in 2020.

**Financial Assets (5%):** update of the macroeconomic variables for the calculation of the financial asset, which corresponds to the recognition of the account receivable from the Colombian State for the purchase option that the state has on the concessioned assets.

**Other Assets (8%):** increase due to capitalizations made in Gases del Pacifico, Gases del Norte del Peru and Promigas Peru in the development of our investment plan for the massification of natural gas in Peru; due to higher profits registered by our subsidiaries via the participation method and higher Representative Market Exchange Rate that affects the value of investments abroad.

Asstes \$8.9 Bn

▲ 7% (YTD)



Figures in COP

# FINANCIAL STATEMENTS

## PROMIGAS BALANCE SHEET | June 2021 vs December 2020

Liabilities

**\$4.5 Bn**

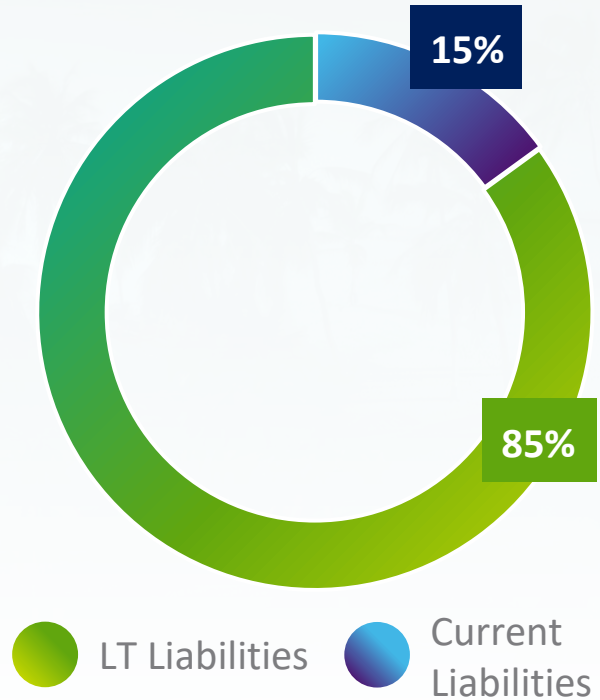
▲ 11% YTD

Equity

**\$4.4 Bn**

▲ 3% YTD

*Cifras en COP*



### Liabilities $\Delta$ 11% (YTD)

**Current Liabilities (105%):** increase due to ordinary dividends decreed in March 2021, which increased by 19% compared to those decreed in 2020; and transfer from the long-term of bonds series with short-term maturity.

**Long-term Liabilities (3%):** increase due to disbursement of credits and increase in the Representative Market Exchange Rate that affects loans in USD.

# FINANCIAL STATEMENTS CONSOLIDATED

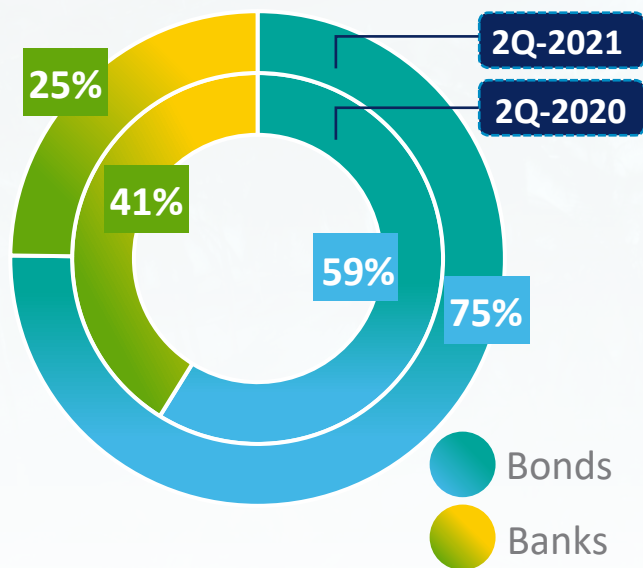
PROMIGAS  
CONSOLIDATED  
DEBT: **\$6.3 Bn**  
▲ -2% vs Jun-20

Average Cost of Debt:

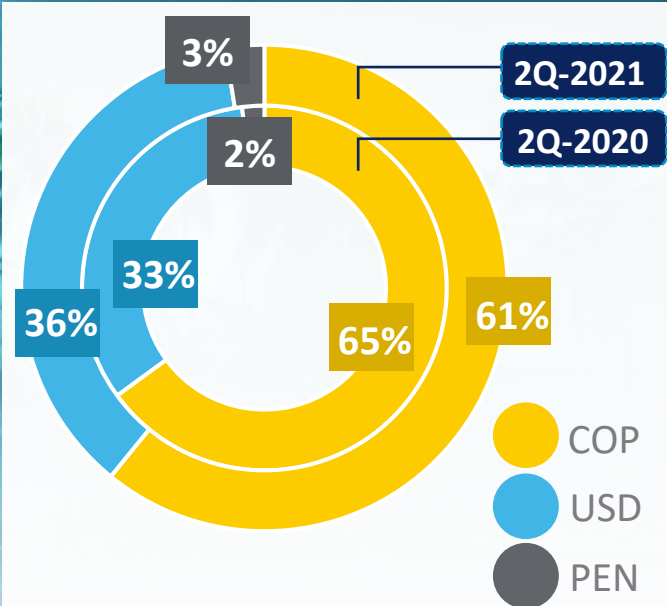
June 2020: **5.77%**

June 2021: **4.63%**

## Debt by Product



## Debt by Currency



## Debt by Company

|               | 2020 | 2021 |
|---------------|------|------|
| Promigas      | 50%  | 50%  |
| Quavii        | 15%  | 18%  |
| GDO           | 11%  | 8%   |
| Surtigas      | 8%   | 6%   |
| SPEC          | 5%   | 4%   |
| Promioriente  | 4%   | 3%   |
| CEO           | 4%   | 4%   |
| Promisol      | 2%   | 2%   |
| Transmetano   | 1%   | 1%   |
| GASNORP       |      | 3%   |
| Promigas Perú |      | 1%   |



On June 9, Fitch Rating Colombia affirmed Surtigas' local AAA rating with a stable outlook, the highest in Colombia, for the 8th consecutive year.



# Q&A



PROMIGAS



# ANNEXES



PROMIGAS

# ANNEX

## PROMIGAS CASH FLOW STATEMENT

Figures in Millions of Pesos

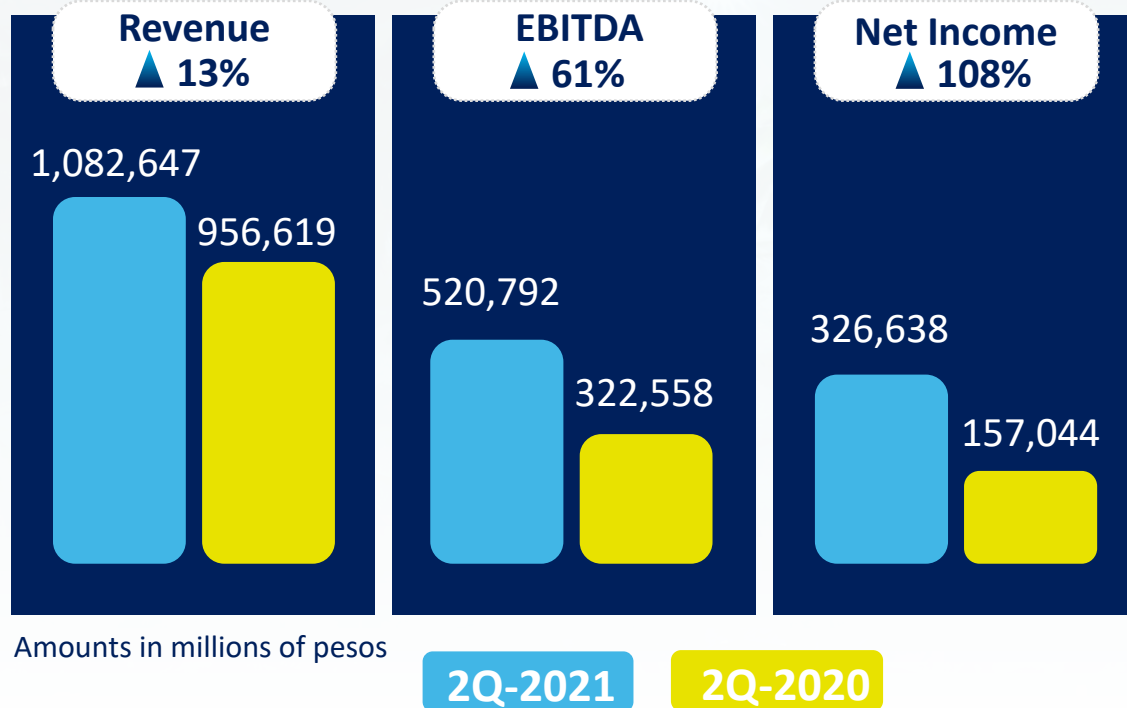
June 2021

|   |                |
|---|----------------|
| <b>Net Profit</b>                           | <b>597,401</b> |
| Depreciations, Amortizations and Provisions | 76,595         |
| Participation Method                        | -419,695       |
| Dividends Received                          | 104,998        |
| Changes in Assets/Liabilities               | -20,185        |
| <b>Operational Flow</b>                     | <b>339,114</b> |
| Investment in Capital Goods                 | -208,325       |
| <b>Free Cash Flow</b>                       | <b>130,789</b> |
| Disbursements of Loans                      | 302,500        |
| Amortizations                               | -193,239       |
| Permanent Investments                       | -              |
| <b>Shareholders Cash Flow</b>               | <b>240,050</b> |
| Dividends Paid                              | -248,684       |
| <b>Net Cash Flow</b>                        | <b>-8,635</b>  |
| Initial Balance                             | 72,974         |
| <b>Final Balance</b>                        | <b>64,340</b>  |

# FINANCIAL STATEMENTS

## PROMIGAS PROFIT AND LOSS STATEMENT | Consolidated

2Q 2021 – 2Q 2020



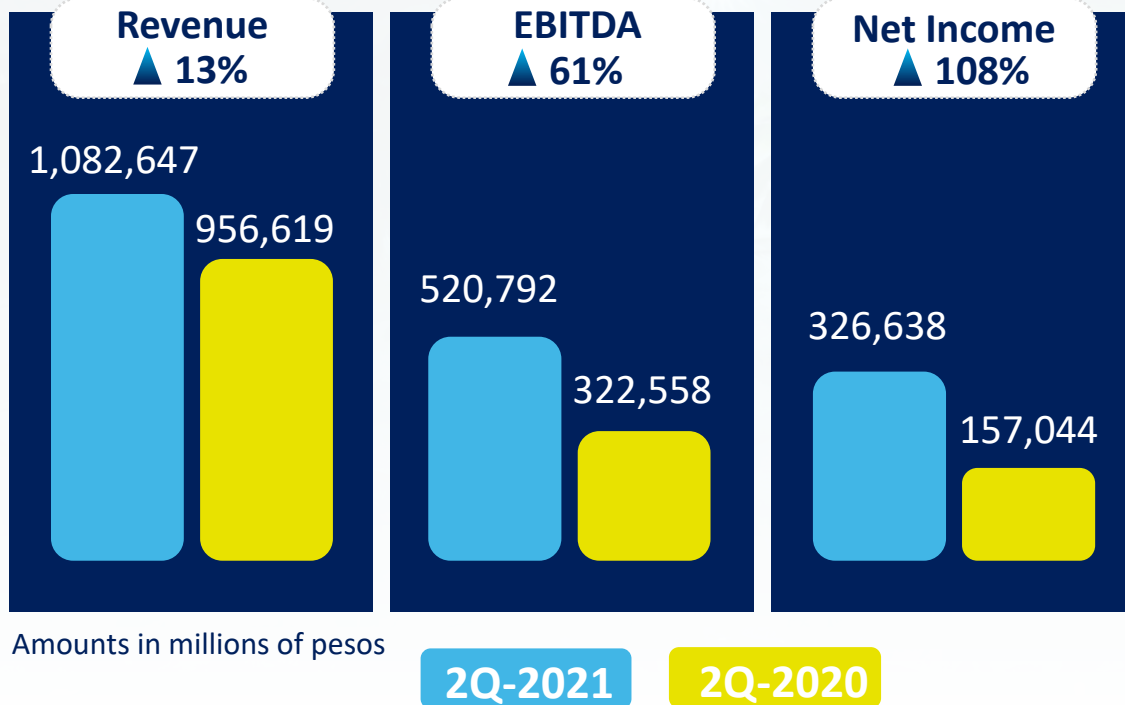
### Revenue (▲13%)

**Operational Revenue (10%): Surtigas:** better results since in 2020 there was lower gross profit in the commercialization, rights and materials and services businesses, due to the lower consumption of unregulated industries and because of Covid-19. **Promigas:** increase due to higher volumes transported in the non-regulated sector associated with the greater number of deliveries by Canacol to meet thermal demand; increase in the hiring of forwards from 70% of revenues to an average strike of \$ 3,509 in 2020 to 78% to an average strike of \$ 3,682 in 2021. **Promioriente:** increase in the volume transported as a result of higher consumption by Ecopetrol and higher contracts of forwards. In 2020, there were flexibilities in transport contracts as an effect of Covid-19. **Promigas Peru:** Increase in revenues from the sale of compressed natural gas due to the acquisition of the Peruvian company in July 2020.

# FINANCIAL STATEMENTS

## PROMIGAS PROFIT AND LOSS STATEMENT | Consolidated

2Q 2021 – 2Q 2020



### EBITDA (▲61%)

Increase in EBITDA mainly because of the mandatory application of IFRS 15 in Gases del Pacifico and Gases del Norte de Peru, recognizing a margin associated with the performance obligation of the construction of the concession infrastructure, and due to higher operating income.

### Net Income (▲108%)

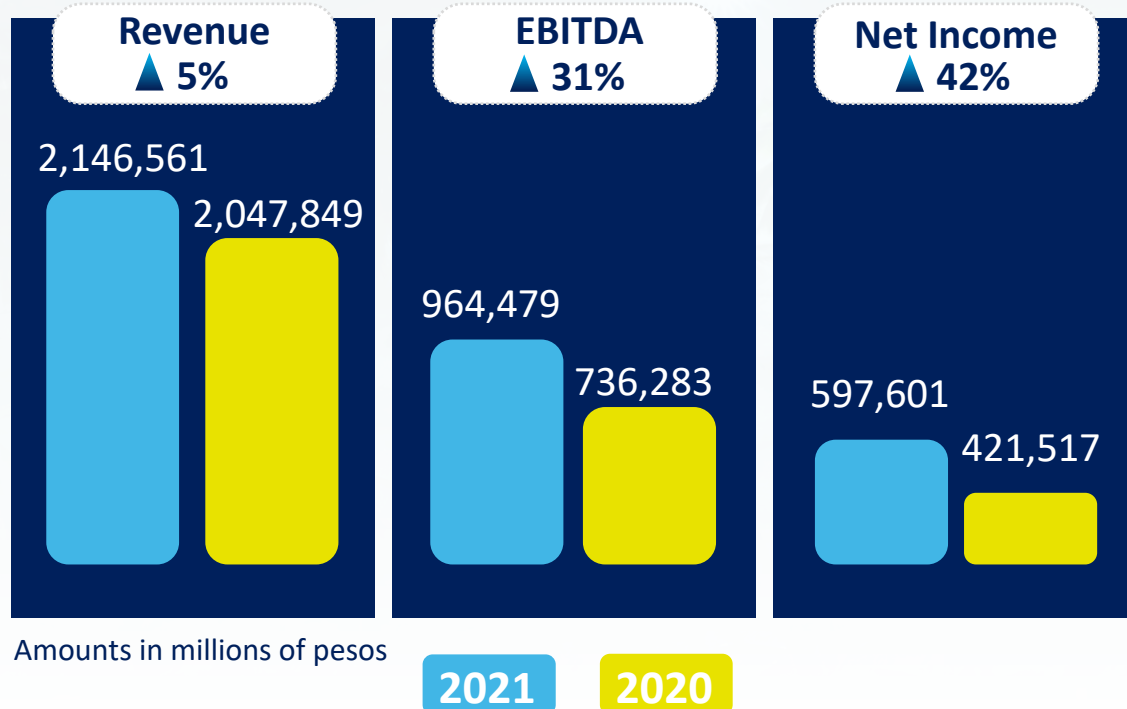
Increase due to lower financial expenses associated with lower debt balance and lower interest rates. Likewise, there were higher non-operating income since in 2020 donations were given to combat the effects generated by the pandemic. This was offset by the increase in Promigas' income tax, since in 2020 there was a greater tax benefit from real productive fixed assets, as a result of higher investments made for expansion projects in Promigas.



# FINANCIAL STATEMENTS

## PROMIGAS PROFIT AND LOSS STATEMENT | Consolidated

### Accumulated 2021 – Accumulated 2020



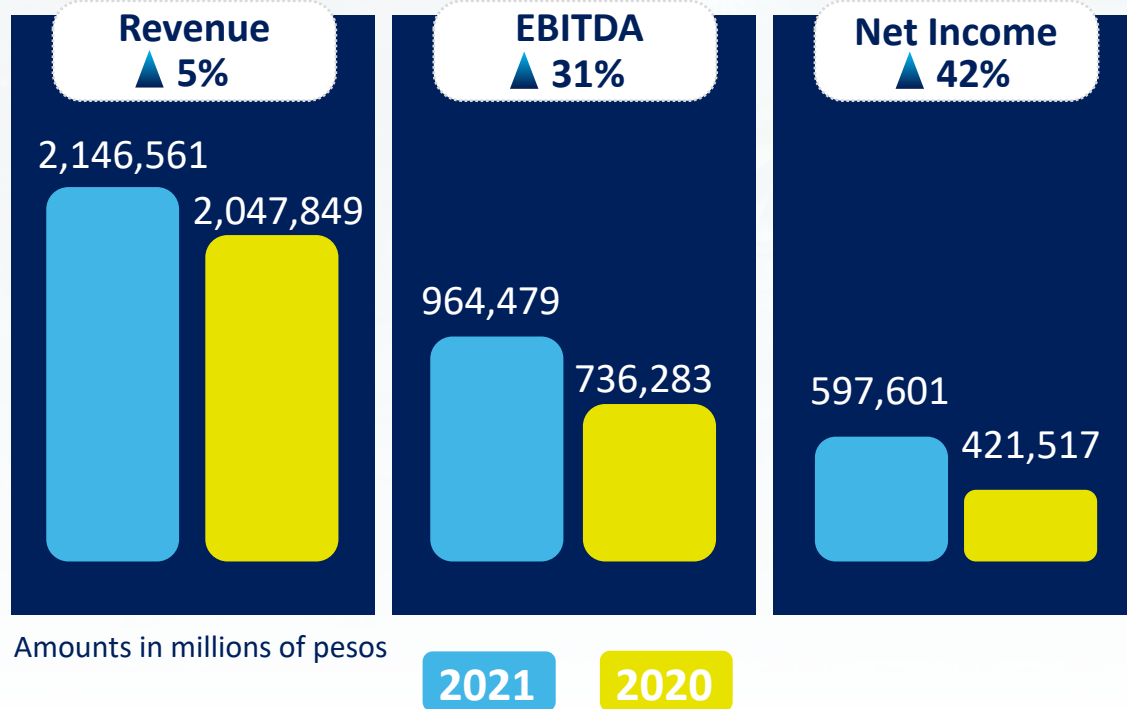
#### Revenue (Δ5%)

**Operational Revenue (4%): Surtigas:** increase due to higher results via the participation method of Quavii and Gasnorp and higher profit in the gas, materials and FNB businesses. **Promioriente:** higher volume transported as a result of higher consumption by Ecopetrol and higher forwards contracts. In 2020, there were flexibilities in transport contracts as an effect of Covid-19. **Promigas Peru:** increase in revenues from the sale of compressed natural gas due to the acquisition of the Peruvian company in July 2020. Compensated by **SPEC:** decrease mainly caused by the shorter days of regasification in 2021 and as a result of the annual decrease in income Va due to its treatment as a financial asset under IFRS.

# FINANCIAL STATEMENTS

## PROMIGAS PROFIT AND LOSS STATEMENT | Consolidated

Accumulated 2021 – Accumulated 2020



### EBITDA (▲31%)

Increase in EBITDA mainly due to the mandatory application of IFRS 15 in Gases del Pacifico and Gases del Norte de Peru, recognizing a margin associated with the performance obligation of the construction of the concession infrastructure, and due to higher operating income.

### Net Income (▲42%)

Increase caused by lower non-operating expenses since in 2020 donations were given to combat the effects generated by the pandemic. Higher non-operating income at Promisol due to the compensation from Ecopetrol for liquidation of the Venezuelan gas import contract. Increase in income from financial assets because of the update with real operating and macroeconomic variables, for those companies with concession contracts. The foregoing was offset by the increase in Promigas' income tax, since in 2020 there was a higher tax benefit from real productive fixed assets, as a result of higher investments made for expansion projects in Promigas.

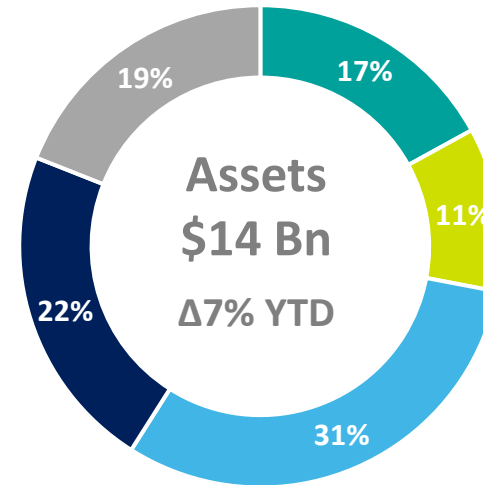
# FINANCIAL STATEMENTS

## PROMIGAS BALANCE SHEET | Consolidated

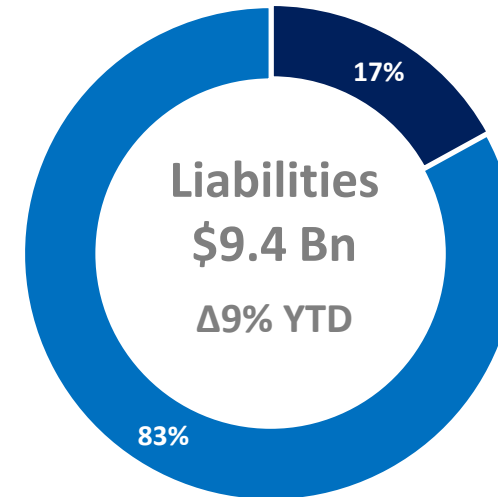
### Consolidated Balance Sheet

June 2021

(COP)



- Current Assets
- PP&E
- Concessioned Assets
- Financial Asset



- Current Liabilities
- Long-term Liabilities

Figures in COP

# FINANCIAL RESULTS BY SBU

## 2Q 2021

### SBU TRANSPORTATION



### SBU DISTRIBUTION



## ACCUMULATED JUNE 2021



**2Q 2021 vs. 2Q 2020**

Revenue **Δ13%**  
EBITDA **Δ61%**  
Net Income **Δ108%**

**Acumulated 2021 vs. 2020**

Revenue **Δ5%**  
EBITDA **Δ31%**  
Net Income **Δ42%**

Note: (1) Revenue : Revenue + Participation Method + Dividends received , non controlled Revenue for concession construction . (2) Includes profit margin on construction of Gases del Norte del Peru and Gases del Pacífico concessions

# PROMIGAS

# #GOODENERGYINONECLIC

Investor Relations  
[inversionistas@promigas.com](mailto:inversionistas@promigas.com)

Calle 66 # 67-123  
Barranquilla, Colombia



@promigasoficial |



promigas



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