



PROMIGAS RESULTS Q3 2020

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.

CONTENT

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**RELEVANT
FACTS
Q3 2020**



REOPENING OF BOND ISSUANCE IN THE INTERNATIONAL CAPITAL MARKET

- Final value **US \$120 MM** after initial indication of **US \$100 MM**. It was possible thanks to an order book that reached a total of **US \$818 MM (Bid to cover: 8x)**.
- Resources will be used to **refinance loans** used in the recent expansions in Colombia and Peru and for **general corporate purposes**.



BOND ISSUANCE IN THE LOCAL CAPITAL MARKET

- Ordinary bonds worth COP \$599,999 MM were successfully placed, an issue that had demand for \$1.04 Bn (Bid to cover: 1.74x).
- The final rates awarded in the 5-year (IPC) and 25-year (UVR) series are the lowest in bond emissions made in the local market in 2020.



PERIOD RESULTS– EBITDA: COP \$262,411 MM exec. 103% / Net Income: COP \$212,761 MM exec. 104%

- Net income down 7% YoY, due to the impact of the state of emergency (COVID-19).
- Accumulated Net Income of COP \$636,570 MM, presents an execution of 98%; accumulated EBITDA of COP \$765,254 MM, presents an execution of 101%.



OPEN SEASON JOB – TRANSMETANO PIPELINE

- Pioneer in the implementation of an **Open Season** model to develop the country's new transportation infrastructure.
- Length of 300 km and 20". Construction would take **48 months** and would generate **1,500 direct jobs**. **Investment: ~ US \$400 MM**.
- It will incorporate new gas reserves from the VIM and the Coast to **supply the demand in the interior of the country**.



CREDIT RATINGS SHOW OUR GOOD ENERGY

Promigas **confirmed its Baa3 global scale rating** by **Moody's** and by **Fitch Ratings AAA local scale and BBB- international scale**, both with **stable outlook**.



INTEGRAL HEALTH AND WORK AT HOME MANAGEMENT

- Due to the implementation of the prevention strategy of Promigas and Portafolio, infection rates of Covid-19 of our direct employees have remained at around 5.5%.
- The health of our employees has been ensured in order to maintain the continuity of our operations and supporting processes.



SHARE PRICE CLOSED AT COP 7,380 (Sep-20)

- Decrease of -8% YTD.
- Promigas reaches a market capitalization of USD 2.1 Bn (COP 8.3 tn).

COVID-19 RESPONSE UPDATE



HR

1,373* (60%) Home Office

918* (40%) Field/Office Work

126* cases of COVID-19

6 active, 120 recovered

None hospitalized
(October 2020)



**100% NORMAL
OPERATION**



CUSTOMER SUPPORT

Temporary flexibility of transport contracts



PREVENTION & MANAGEMENT STRATEGY

Home Office, Communication, Health Care, Test Plan, Return Protocol, Safe Facilities



**Continuity
Plan
Activated**



**FINANCING FOR USERS IN
1,2,3, & 4 INCOME BRACKETS**
Gas, Brilla and Other Concepts

RETURN PLAN Q1 2021 UNDER ANALYSIS

Subject to infection rate trends, having the health of our employees as priority.

* Direct Employees



CORPORATE ASPECTS

“

After the toughest months, our results show signs of recovery in line with our customers' situation.

We will continue supporting the recovery of the Colombian and Peruvian economies with our transportation and distribution infrastructure, essential to both countries' energy matrix.

WE WON'T LET OUR GUARD DOWN, AND WE'LL CAPITALIZE ON THE RESILIENCE OF THE SECTOR, PROMIGAS AND ITS COMPANIES TO REACH, THROUGH JOINT EFFORTS AND DEDICATION, BUDGET LEVELS CLOSE TO 2020 EXPECTATIONS.

”



INDIVIDUAL FINANCIAL RESULTS



Q3 2020

REVENUE

\$0.3 Bn (Exec. 97%)

EBITDA

\$0.2 Bn (Exec. 103%)

NET INCOME

\$0.2 Bn (Exec. 104%)



Variation
2020 vs. 2019

$\Delta 0,3\%$

$\Delta 2\%$

$\Delta -7\%$

 Equity Method

 Promigas



INDIVIDUAL FINANCIAL RESULTS



ACCUMULATED SEPTEMBER 2020

REVENUE

\$0.9 Bn (Exec. **99%**)

EBITDA

\$0.7 Bn (Exec. **101%**)

NET INCOME

\$0.6 Bn (Exec. **98%**)



Variation
2020 vs. 2019

Δ8%

Δ10%

Δ1%

 Equity Method

 Promigas



CONSOLIDATED FINANCIAL RESULTS



Q3 2020

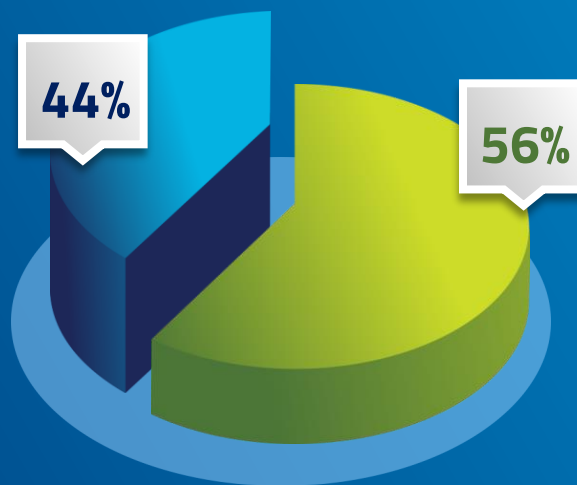
REVENUE

\$1.0 Bn (Exec. 90%)



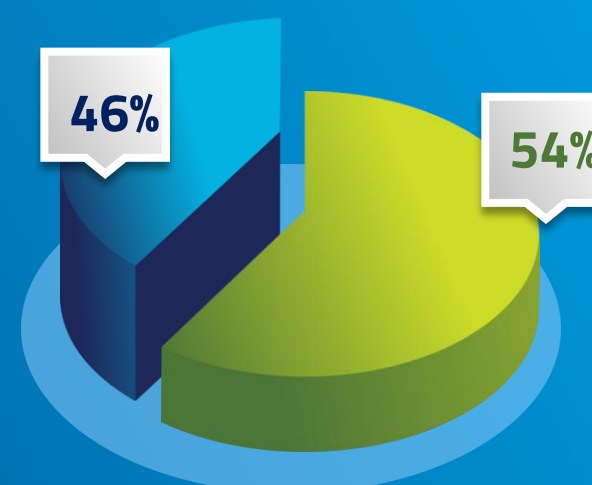
EBITDA ⁽¹⁾

\$0.3 Bn (Exec. 109%)



NET INCOME

\$0.2 Bn (Exec. 106%)



Variation
2020 vs. 2019

Δ-1%

Δ4%

Δ-6%



Transportation



Distribution

1) PROMIGAS EBITDA + SUBSIDIARIES EBITDA + NON-CONTROLLED DIVIDENDS RECEIVED



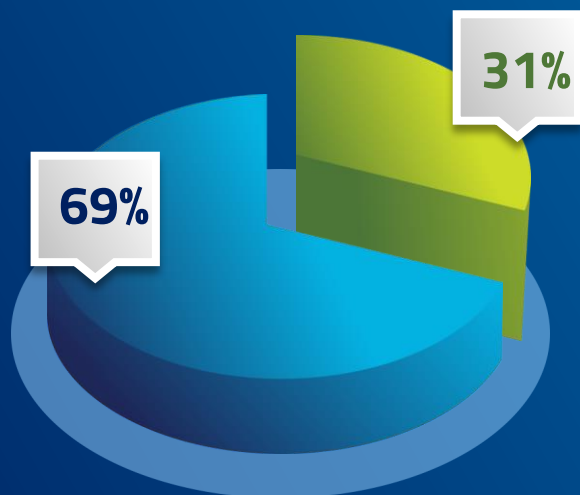
CONSOLIDATED FINANCIAL RESULTS



ACCUMULATED SEPTEMBER 2020

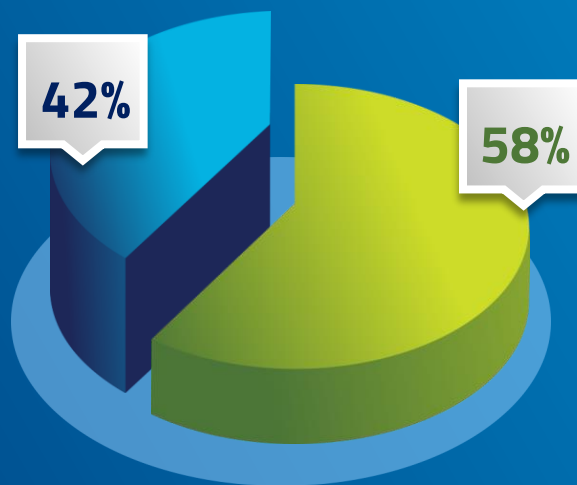
REVENUE

\$3.1 Bn (Exec. 90%)



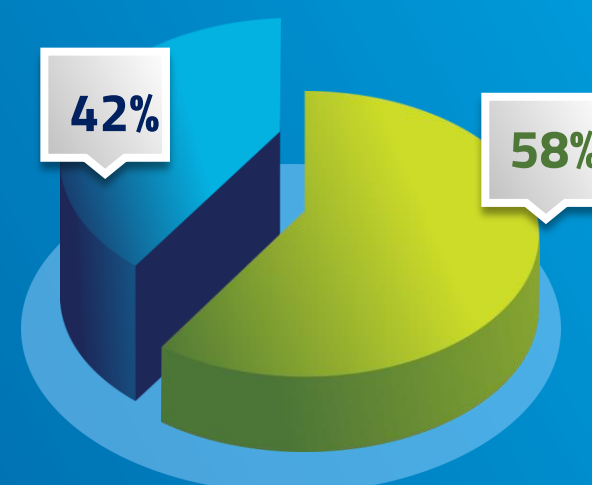
EBITDA ⁽¹⁾

\$1.1 Bn (Exec. 104%)



NET INCOME

\$0.6 Bn (Exec. 99%)



Variation
2020 vs. 2019

Δ3%

Δ9%

Δ1%



Transportation



Distribution

(1) PROMIGAS EBITDA + SUBSIDIARIES EBITDA + NON-CONTROLLED DIVIDENDS RECEIVED

RELEVANT DATA BY SBU

ACCUMULATED SEPTEMBER 2020



21 COMPANIES



2 COUNTRIES



3.217⁽¹⁾ EMPLOYEES

SBU TRANSPORTATION



NATURAL GAS

Gas Pipelines
3,291,6 KM
Δ67 km (2%)

Transport Capacity
1,153 MMSCFD

Volume Transported
458 MMSCFD
(50% country)



LNG

Regasification Capacity
400 MMSCFD

Regasification Volume
12.621 MMSCF

Regasification Days
191
(70% days of the year)



INDUSTRY SOLUTIONS

Generation Capacity
46.85 MW

Gas Treatment Capacity
35 MMSCFD

SBU DISTRIBUTION



NATURAL GAS

Users (150k new)
Populations Served
Laid Networks
Gas Sale

COLOMBIA

3.79 MM
(38% country)

863
(Δ7%)

49,564 KM
(Δ2%)

2,512 MMm³
(Δ-10%)

PERU

1.11 MM
(94% country)

39
(Δ5%)

14,408 KM
(Δ13%)

5,492 MMm³
(Δ-10%)

TOTAL

4.9 MM
(Δ5%)

902
(Δ9%)

63,971 KM
(Δ7%)

8,003 MMm³
(Δ-10%)



NON-BANK FINANCING

Users
3.6 MM
(Δ10%)

Portfolio
\$963,259 MM
(Δ-0,6%)

Placement
\$275.750 MM
(Δ-52%)



ELECTRIC POWER

Accumulated Users
406,476 (Δ4%)
Energy Demand
741 GWh (Δ-0%)

Losses
14%
(Contractual Commitment 17.17%)

Laid Networks
27,864 KM
(Δ3%)

(1) Direct employees, including affiliates and subsidiaries.



Environment



Social



Governance



Innovation

SUSTAINABLE MANAGEMENT (ESG)

RELEVANT FACTS OF THE PERIOD



CORPORATE REPUTATION RANKING

(Governance)

We are among the **top 100 companies and leaders with the best reputation in Colombia - 2020**, carried out by the Corporate Business Monitor Reputation, Merco.



SUPPORTING OUR COMMUNITY

(Social)

- Contribution of COP \$4 Bn for medical supplies and hospital elements in the department of Atlántico.
- Nutritional and psychosocial support to more than 80 families, victims of the fire in Tasajera, Magdalena.

WE WORK WITH RESPECT, ENTHUSIASM AND GOOD ENERGY, ALWAYS!

(Governance)

Four of our companies, **Promigas, Promioriente, Transoccidente and Promigas Foundation**, were recognized in the categories Quality of Organizational Climate and Healthy Work Environment.





Environment



Social



Governance



Innovation

SUSTAINABLE MANAGEMENT (ESG)

RELEVANT FACTS OF THE PERIOD



RECOGNITION BY THE MINISTRY OF SCIENCE

(Innovation)



The Ministry of Science, Technology and Innovation of the Republic of Colombia, by Resolution 1051 of 2020, **recognized Promigas for having a R+D+i Business Unit**. With this, Promigas is the **first company in the Colombian Oil and Gas sector to have this recognition, third in the energy sector**, and thirty-first overall.

IR RECOGNITION COLOMBIA STOCK EXCHANGE

(Governance)



For the **eighth consecutive year**, we received the **IR Recognition** granted by the Colombian Stock Exchange to 32 local companies that stood out for their **transparency and good practices in their relations with shareholders and investors**.

BUSINESS INNOVATION RANKING

(Innovation)



CEO ranked **third in the ANDI and Dinero Magazine 2020 Business Innovation Ranking in the category "Rising Innovation Ecosystems"**. In this version of the business innovation ranking, 242 national companies that have advanced processes facing the fourth industrial revolution were measured, considering three dimensions: innovation conditions, capabilities and results.



RESULTS

SBU TRANSPORTATION

OUR OPERATION IN COLOMBIA AND PERU



WE TRANSPORT

50%

OF NATURAL GAS
IN COLOMBIA

3,200 KM

OF PIPELINES

ONLY

REGASIFICATION

PLANT IN COLOMBIA

VALUE ADDED

SERVICES

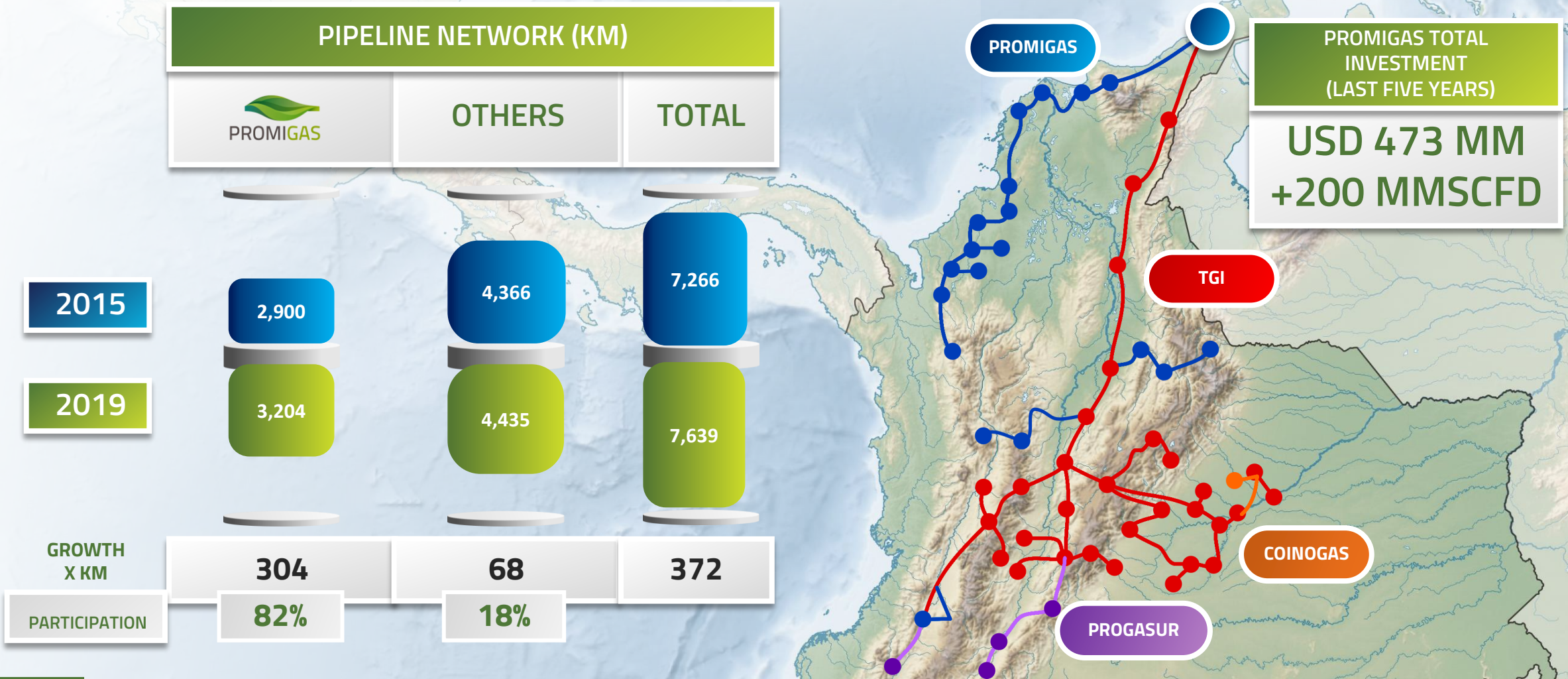




NATURAL GAS TRANSPORTATION INFRASTRUCTURE IN COLOMBIA



Natural gas transportation network



SOURCE ECOPETROL, SECTOR COMPANIES

* INCLUDES SUBSIDIARIES (PROMIORIENTE, TRANSMETANO, TRANSOCCIDENTE).

SBU TRANSPORTATION RESULTS Q3 2020

INFRASTRUCTURE AT THE SERVICE OF THE SECTOR AND THE COUNTRY, RELIABLE AND SAFE



COMPANIES



SBU Transportation
Figures in million of pesos

Revenues

2019	2020	Var %
Jan - Sep	Jan - Sep	
957.229	980.887	2%

2019	2020	Var %
Jul - Sep	Jul - Sep	
322.901	320.092	-1%

Figures 100% subsidiaries, before eliminations.

NATURAL GAS TRANSPORTATION

RELEVANT FACTS OF THE PERIOD



Promigas – Atlantic Coast

Volume Consumed by Sectors (MMSCFD)	2019			2020		
	Jan - Sep	Jan - Sep	Var %	Jul - Sep	Jul - Sep	Var %
Thermoelectric	141,1	172,1	22%	148,1	141,7	-4%
Industrial	142,7	133,9	-6%	142,5	145,7	2%
Distributor	49,0	35,9	-27%	49,7	34,6	-30%
CNG	11,3	7,5	-34%	11,5	7,4	-36%
TOTAL	344,1	349,4	2%	351,8	329,4	-6%

Growth in demand from the Caribbean Coast in 2020, due to higher dispatches from thermoelectric plants

Thermoelectric Sector

- Thermal plants on the Coast have supported the energy demand, given the lowest levels of reservoirs and hydrological inputs in the last 25 years.
- The SPEC Regasification Terminal has met the requirements of the thermal park with imported gas, reinforcing the supply of gas from the Sucre and Córdoba onshore fields.

Industrial Sector

- 6% decrease mainly caused by the health emergency measures due to COVID-19 and gradual recovery underway during the third quarter of the year.

Distribution and NGV Sector

- In addition, the regulated and vehicle market has been affected by the mandatory preventive lockdown measures.

By the end of the third quarter, Promigas achieved:

- Length of pipelines: 2.755,5 KM
- Transportation capacity: 951 MMCFD

NATURAL GAS TRANSPORTATION

RELEVANT FACTS OF THE PERIOD



 PROMIOYENTE	2019 Jan - Sep	2020 Jan - Sep	Var %	2019 Jul - Sep	2020 Jul - Sep	Var %
Transported Volume (MMSCFD)	32,0	28,5	-10,9%	32,6	27,4	-16,0%

Lower volumes compared to the previous year due to a decrease in consumption, mainly in the segment of regulated businesses and industries, served directly by distributor Vanti, and a decrease in consumption at the Barrancabermeja Refinery, due to the COVID-19 emergency.

 TRANSMETANO	2019 Jan - Sep	2020 Jan - Sep	Var %	2019 Jul - Sep	2020 Jul - Sep	Var %
Transported Volume (MMSCFD)	49,3	45,4	-7,9%	49,9	48,1	-3,6%

Decrease in transported volume compared to the previous year, mainly due to lower customer consumption as a result of COVID-19. The volume transported for the third quarter continues the recovery trend, mainly in the regulated industrial market, standing in September at the same levels as September 2019.

NATURAL GAS TRANSPORTATION

RELEVANT FACTS OF THE PERIOD



Corrective Replacement of Pipeline in Riohacha

Currently, **the efficiency and safety of the transportation system is guaranteed**, including the executed expansion that serves the markets of Cartagena and Barranquilla.

In addition, the **replacement of 2 sections of the 20"** pipeline in the current right-of-way is underway as **corrective maintenance**, for an approximate length of 8 km each line on 40th Street in the city of Riohacha, which **will facilitate future projects in this route and will provide greater safety to our operation as there are HCA's**.



Credit Risk Ratings

FitchRatings

20th year AAA
(national)

10th year BBB-
(international)

MOODY'S

2nd year Baa3
(international)

These ratings reflect the **consistency of our credit quality**, which is important to **ensure resources** in times of illiquidity and adverse market conditions.

NATURAL GAS TRANSPORTATION

RELEVANT FACTS OF THE PERIOD



The volume transported for the 3rd quarter shows an **increase of 2%** compared to the previous quarter. In **September** there were **increases in thermal generation** due to failures in the transmission line and electrical interconnection Cerromatoso-Porce.



Pipeline Replacement work continues in Riohacha - Guajira, which is 90% complete. The mechanical completion of **Line 20 E and Line 20 A** will be done on November 9 and 22, respectively. Final completion will be due on **December 20** after removal of the existing pipeline.

LNG INFRASTRUCTURE



LNG INFRASTRUCTURE

RELEVANT FACTS OF THE PERIOD



The only regasification terminal operating in the country. It strengthens the model that supports the generation of electrical energy not only in times of low hydrology, but also in the event of emergencies, maintenance or unavailability in the electrical transmission and/or natural gas production/supply systems in Colombia.



Sociedad
Portuaria
El Cayao

Operation Highlights

	2019			2020		
	Jan - Sep	Jan - Sep	Var %	Jul - Sep	Jul - Sep	Var %
Number of LNG shipments	6	14	+133	3	2	-67
LNG received (M3)	355.154	689.809	+94	109.644	142.316	+30
NG delivered (MMCF)	5.396	12.621	+134	1.263	2.533	+101
Regasification days (not continuous)	137	191	+39	33	49	+48

- **The regasification terminal began to support the generation of thermal energy** to avoid rationing in the event of failures and damages in the 500kV Porce III - Cerromatoso circuits, which caused the declaration of a state of electrical emergency due to a decrease in the energy received by the Caribbean coast from inside the country → Delivery caps of **159 million cubic feet of natural gas were reached** (Sep 18).
- SPEC LNG has allowed the main **thermal plants to generate close to 1,600 GWh** of energy, providing reliability to the electrical power system, especially in times of low hydrology and eventualities in transmission systems.
- Promigas and SPEC LNG announced the **possibility of expanding the terminal's regasification capacity** to ensure supply and contribute to the country's energy security, considering the gas supply and demand projections presented by UPME.

NATURAL GAS TRANSPORTATION



CREG

Comisión de Regulación
de Energía y Gas

RELEVANT REGULATORY ASPECTS OF THE PERIOD

In July, through CREG Resolution 135 of 2020, BOLSA MERCANTIL DE COLOMBIA S.A. was selected as promoter of the Natural Gas Market (promoter since 2015). Its new 5-year term will begin on January 6, 2021.

MME Res. 40209 of 2020, which extends until July, previously until June, the deferral of gas transportation bills to retailers that serve residential users of income brackets 1, 2, 3 and 4. Also, CREG Res. 153 of 2020 extends the grace period from 2 months to 4 months.

In August, CREG Doc. 076 of 2020 modified the 2020 regulatory agenda. The following is expected for 4Q:

- Final resolution of rules for the sale of gas transportation
- Final resolution of the procedure for calculating the regulated discount rate
- Final resolution under discussion of the methodology to remunerate the transportation activity

Through CREG Resolution 155 of 2020, CREG submitted a query regarding the procedure for calculating the regulated discount rate for activities regulated by the Commission, including the transportation and distribution of natural gas.



RESULTS SBU DISTRIBUTION

OUR OPERATION IN COLOMBIA AND PERU



WE BRING NATURAL GAS TO
4,9 MILLION
USERS. **94%** IN PERU,
38% IN COLOMBIA

ELECTRIC POWER
TO OVER **400K**
USERS IN COLOMBIA





NATURAL GAS COVERAGE



5%

CAGR
2015 -2019



86%

INCOME
BRACKETS 1,2,3



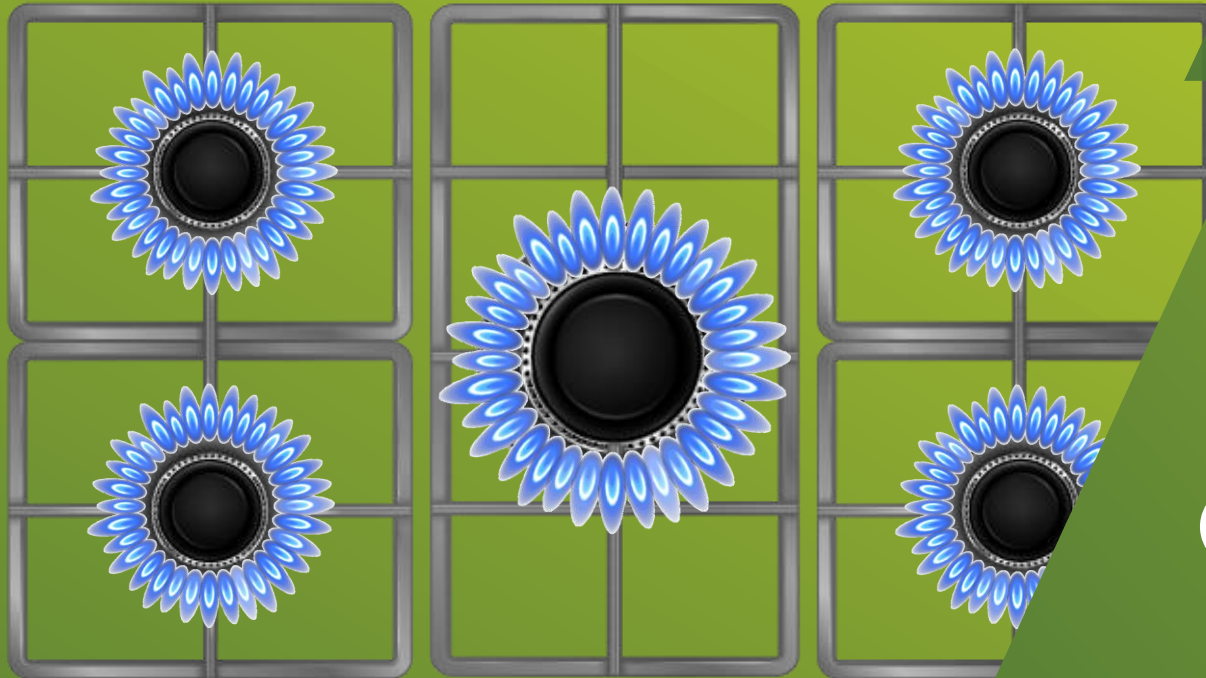
+1.8 MM

USERS



750

MUNICIPALITIES
SERVED

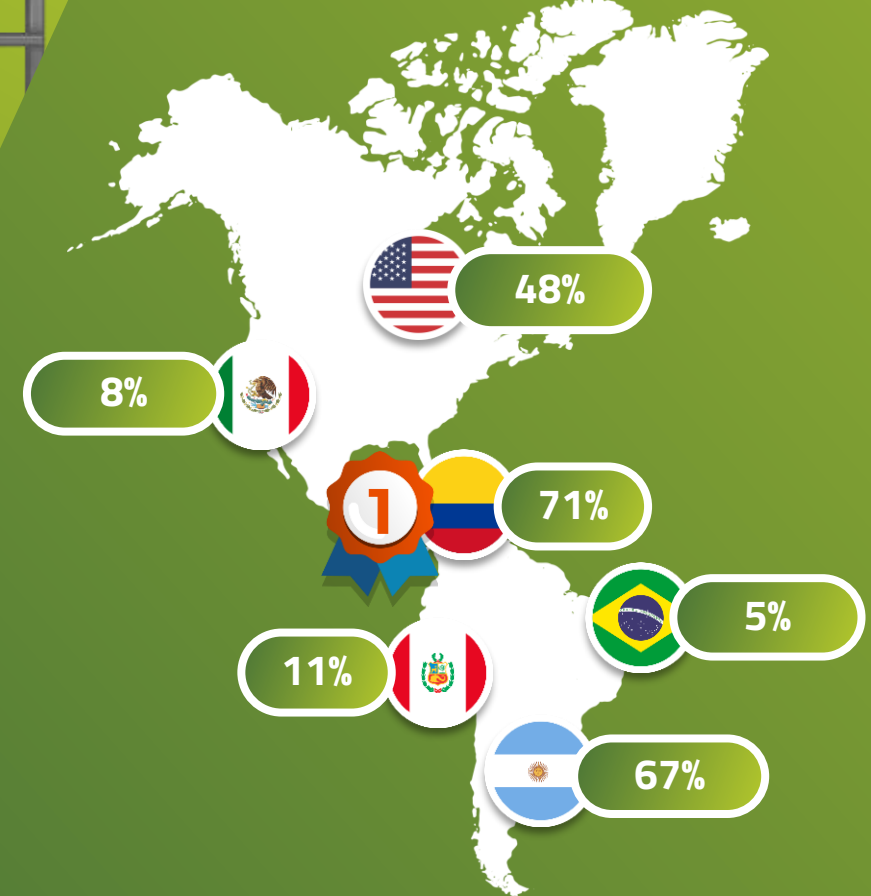


	2015	2016	2017	2018
Coverage (%)	64%	66%	68%	69%
Users (MM)	8 MM	8,4 MM	8,8 MM	9,3 MM

SOURCE

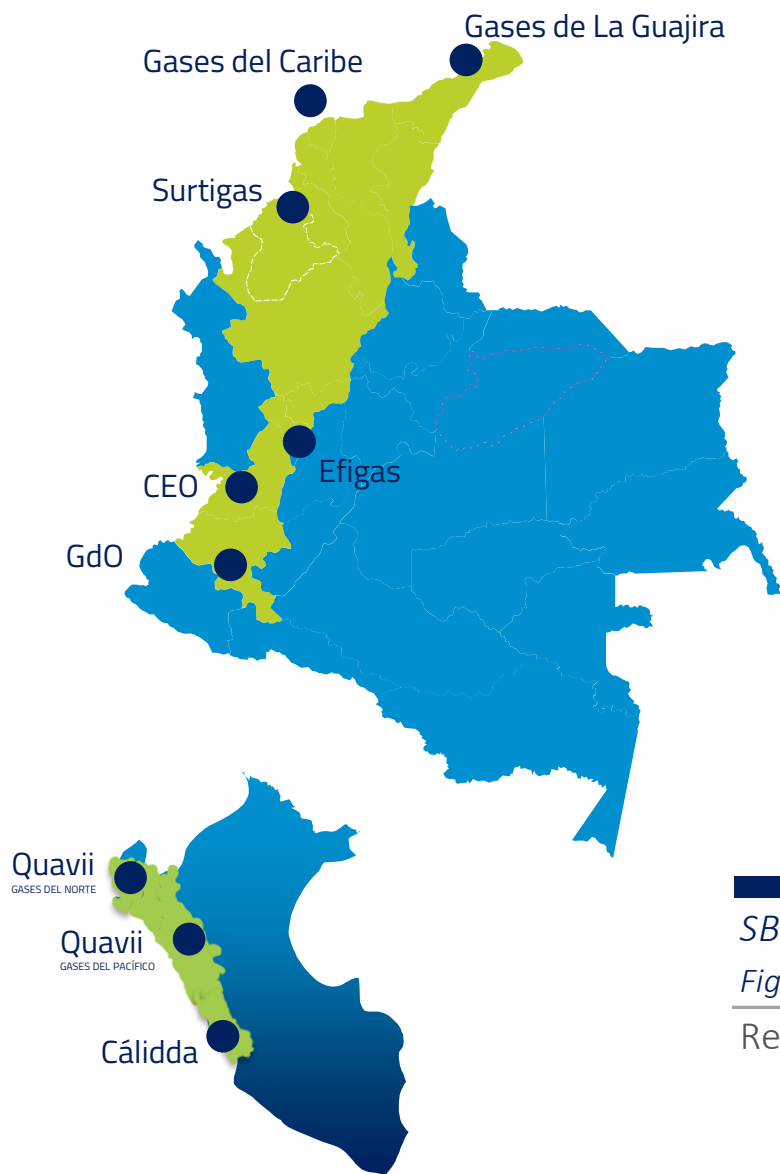
MINIS

USER COVERAGE



RESULTS SBU DISTRIBUTION Q3 2020

SAFE AND RELIABLE SERVICE GUARANTEED FOR OUR USERS



COMPANIES



SBU Distribution

Figures in million of pesos

Revenue

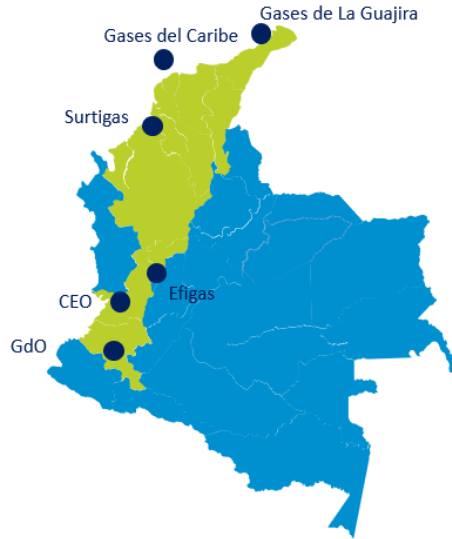
2019	2020	Var %
Jan - Sep	Jan - Sep	
2.147.760	2.218.830	3%

2019	2020	Var %
Jul - Sep	Jul - Sep	
749.683	753.658	1%

Figures 100% subsidiaries, before eliminations.

NATURAL GAS DISTRIBUTION

RELEVANT FACTS OF THE PERIOD



Colombia

Operational Information	2019	2020	Var %
	Jan - Sep	Jan - Sep	
Accumulated Users	3,682,727	3,794,951	3%
Period Connections	102,827	75,457	-27%
Populations Served	807	863	7%
Laid Networks (Km)	48,733	49,564	2%
Gas Sold (MMm3)	2,791	2,512	-10%



- Gas distributors in Colombia represent **77% of the total users of the SBU Distribution** (23% correspond to users in Cálidda and Quavii, in Peru).
- The decrease in connections compared to September 2019 is the result of the coverage achieved by natural gas distribution companies: GdO 91%, Surtigas 97% and Gases del Caribe 90%, which represent the maturity of the market served by these companies).
- The penetration in **36 new towns** reflects the permanent commitment of Promigas to massify the natural gas service to the country's families and, by cartographic update, **20 new populated centers were reached**.
- 43% of the gas sold corresponds to the distribution business and 57% to retail. Demand behavior was affected by COVID-19. The lower sales correspond to the **decrease in retail** and the decrease in commercial, industrial and NGV volumes.

NATURAL GAS DISTRIBUTION

RELEVANT FACTS OF THE PERIOD



Peru

Operational Information	2019	2020	Var %
	Jan - Sep	Jan - Sep	
Acumulated Users	974.487	1.114.363	14%
Period Connections	191.741	74.195	-61%
Towns Served	37	39	5%
Networkd Laid (km)	12.743	14.408	13%
Gas Sold (MMm3)	6.084	5.492	-10%



- **1,006,606 users in Lima and El Callao**, with an effective coverage of **89%** (connected/ringed users).
- Invoiced **5,439 MMm3** of natural gas, 620 MMm3 less than the accumulated as of September 2019, due to COVID-19.



- Distributed **53 MMm3** of natural gas ($\Delta 104\%$), growth in volume associated with the greater number of customers in the residential sector, consumption in the fishing sector and industry due to the natural extension of the coverage of this concession.
- Reached a coverage of **48% (+8%)**, closing Q3 with **107,757 total users**, exceeding the contractual requirements by **6.2%**.

NATURAL GAS DISTRIBUTION



RELEVANT REGULATORY ASPECTS OF THE PERIOD

Colombia

The Ministry of Mines and Energy, with resources from the FECF, granted an additional subsidy of 10% over the subsistence consumption of the natural gas service to income brackets 1 and 2 for two billing cycles (2 months).

The deferral of residential natural gas service bills was extended for an additional cycle, from April to July. Additionally, the grace period was extended to 4 months (until July).

The distribution companies presented the rate files for the approval of the new charges, in accordance with those established in CREG Doc. 062 of 2020.

ELECTRIC POWER DISTRIBUTION

RELEVANT FACTS OF THE PERIOD



Regulatory Aspects

- The deferral of residential natural gas service bills was extended for an additional cycle. Additionally, the grace period was extended to 4 months (until July).
- The application of the Network Operators Loss Plan was adjusted as a result of the COVID-19 contingency. With this adjustment, during years 2 and 3 of the plan (CEO 2020 and 2021), the plan may be modified without having to meet the goal on the previous year, eliminating the cause of suspension and cancellation of the plans due to non-fulfillment of goals. Additionally, the formula for defining the path to reduce losses was modified.

Operation Highlights

- From July to September, **3,497 new users were connected to the network**, accumulating a **total of 406,476**.
- The **energy demand served** directly by the company as of Q3-2020 was **177 GWh**, reaching 518 GWh at the end of September, for a total of **741 GWh** by the CEO networks.
- With the aim of improving the quality of the service, the company registered a commercial loss indicator of 14.19%, lower than the 17.17% contractually required.

NON-BANK FINANCING

RELEVANT FACTS OF THE PERIOD

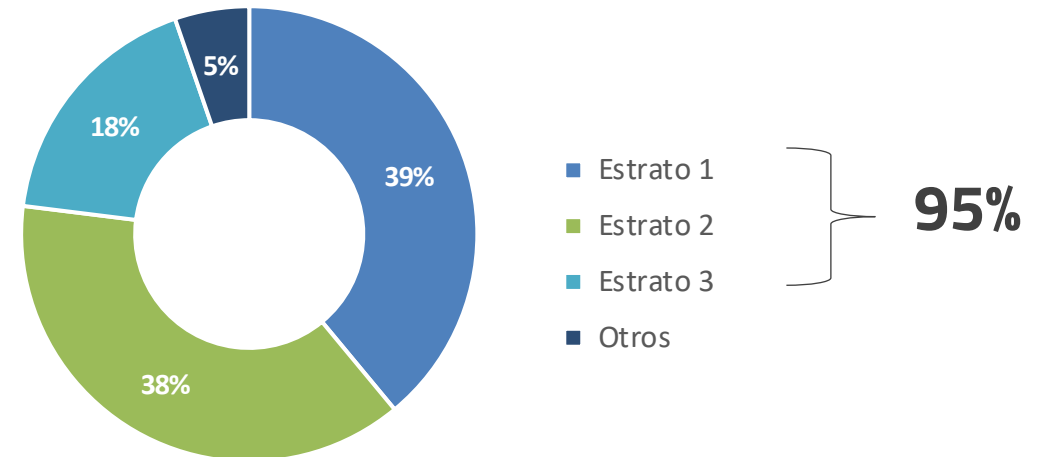


NON-BANK
FINANCING

Business model that has received recognition from the World Bank (IFC), the G-20, the Financial Times and the Andi Foundation, as a successful example of an inclusive and sustainable business that seeks to improve the quality of life of users and helps them achieve their progress milestones.

Given the COVID-19 situation and the measures adopted by the national government, credit placements have been affected during the year. The business has been gradually reactivated since July, due to the relaxation for some economic activities. On the other hand, internally adjustments have been made to the business risk profiles to ensure its greatest strength: sustainability.

181,066 users benefited from January to September, accumulating **3.6 million** since the beginning of the program, distributed as follows:



Portfolio as of September 30, 2020: COP \$963,259 MM (-0.6% vs. 2019)

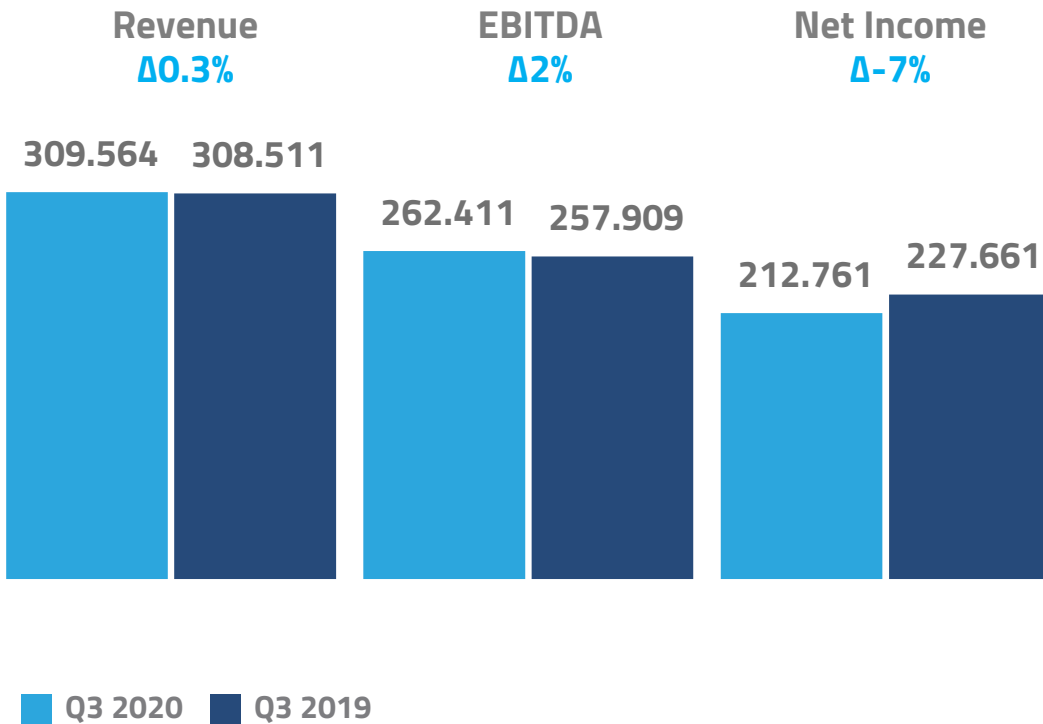
>90 days past due portfolio index: **2.54%**, lower than the national banking average for consumer loans.



FINANCIAL STATEMENTS

Q3 2020

Q3 2020 vs. Q3 2019



Q3 2020 vs. Q3 2019

Revenue \$309,564 MM (97% Budget)

- **Operating Revenue (8%):** Increase in volumes transported by higher thermal dispatches from the Caribbean Coast, associated with low water generation; increase in deliveries of imported gas and regasified by SPEC to meet demand from thermal power plants; exchange rate increase.
- **Equity Method(-9%): Surtigas:** decreases since during 2019 there were recoveries associated with the portfolio due to strategies implemented in its management; **Quavii:** lower number of connections and higher financial expenses due to higher debt balance as a result of the strategy of ensuring from the start the necessary resources for the year activities; **Promisol:** delays in construction works, due to the effect of COVID-19.

EBITDA \$262,411 MM (103% Budget)

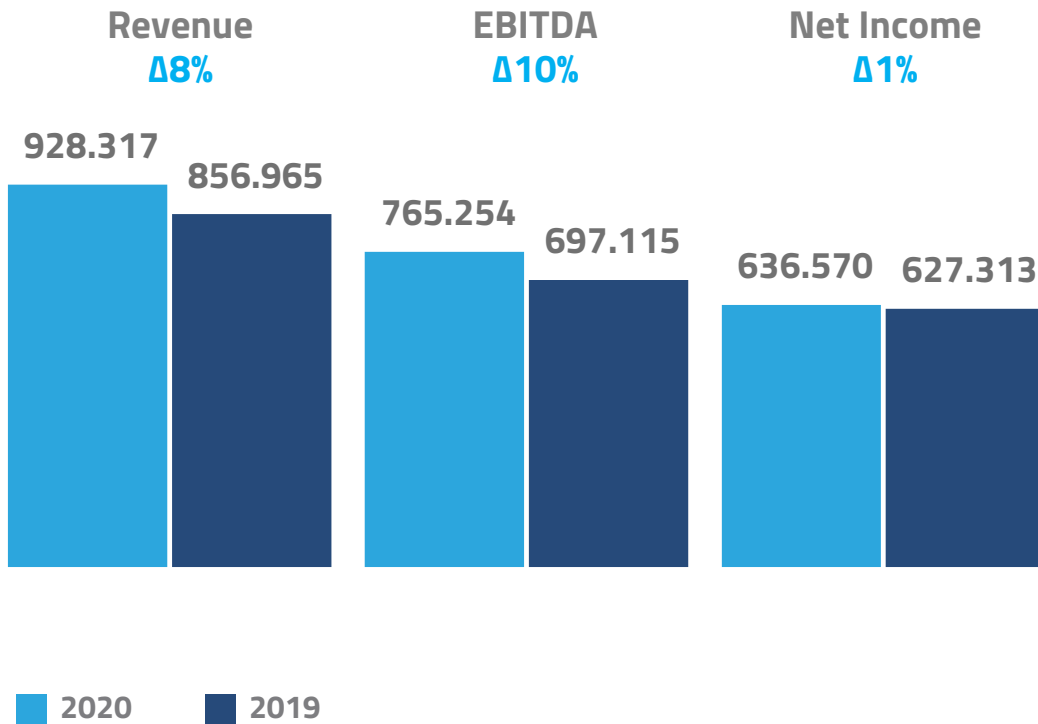
- Increase generated mainly by lower costs and expenses, mainly due to the austerity plan implemented because of COVID-19.

Net Income \$212,761 MM (104% Budget)

- Decrease caused by higher income tax due to lower tax benefit (40% legal stability agreement) compared to 2019 due to lower investments made for expansion projects as a result of the impact of COVID-19.
- Higher depreciation and amortization due to capitalization of the Paiva-Caracolí gas pipeline and compressor stations.

Accumulated September 2020 vs. Accumulated September 2019

Accumulated 2020 vs. Accumulated 2019



Figures in millions of pesos

Revenue \$928,317 MM (99% Budget)

- **Operating Revenue (20%):** Increase in volumes transported due to higher thermal dispatches from the Caribbean Coast, associated with low water generation; increase in SPEC deliveries importing and regasifying gas to meet demand from thermal power plants; exchange rate increase.
- **Equity Method (-5%): Promisol:** delays in construction works due to COVID-19 and during 2019 most of the activities related to the construction of the 100 MMSCFD project were executed; **Quavii:** less connections, higher depreciation and amortization, higher portfolio provision due to the state of emergency (COVID-19) and higher financial expenses due to higher debt balance. **Surtigas:** expenses for COVID-19 donations and higher deferred tax, since in the previous year an adjustment was made in the calculation methodology for the financial asset granted.

EBITDA \$765,254 MM (101% Budget)

- Increase mainly due to higher operating revenue and a smaller increase in costs and expenses (responsible austerity).

Net Income \$636,570 MM (98% Budget)

- Increase due to higher EBITDA and higher revenue from financial assets due to update with real operating and macroeconomic variables at the beginning of 2020. This is offset by higher depreciation and amortization due to the capitalization of the Paiva-Caracolí gas pipeline and compressor stations, and higher income tax for higher profit before taxes and lower tax benefit (40% legal stability agreement), due to lower investments made for expansion projects as a result of the impact of COVID-19.

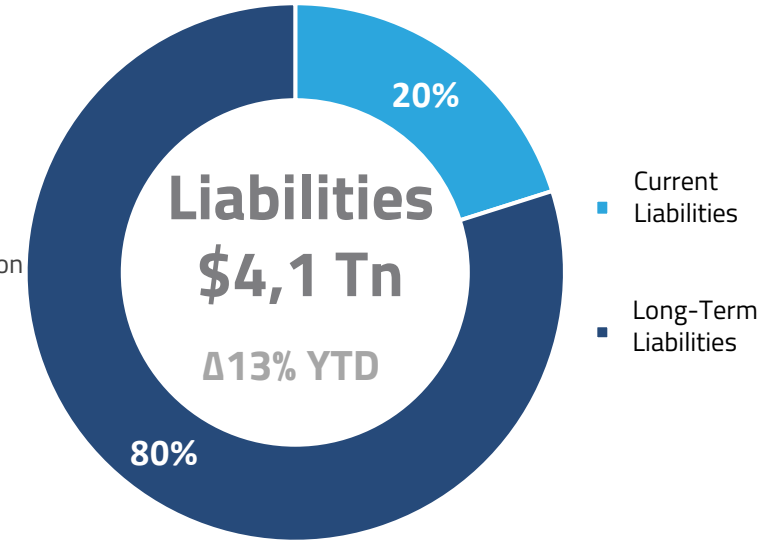
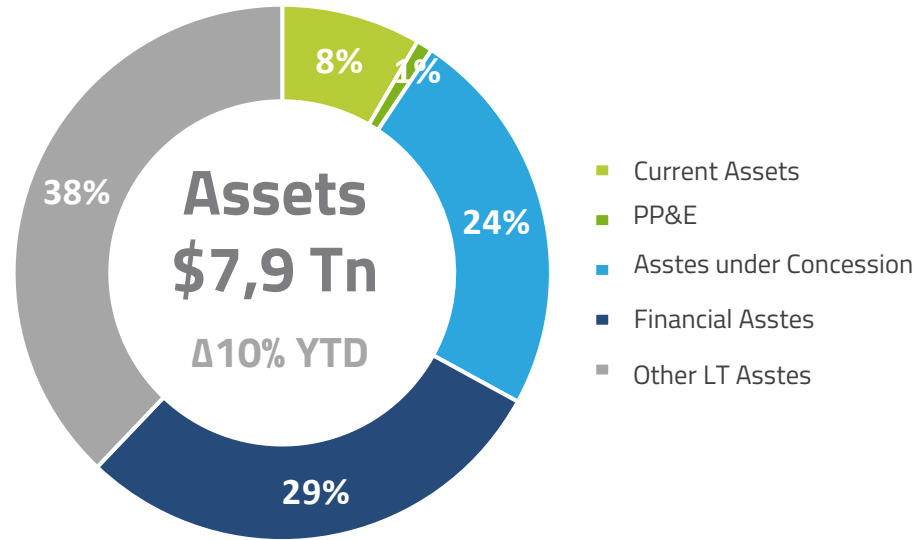
PROMIGAS BALANCE SHEET

Balance
September 2020
(COP\$)

Assets
\$7.9 Tn
Δ10% YTD

Liabilities
\$4.1 Tn
Δ13% YTD

Equity
\$3,8 Bn
Δ7% YTD



Assets Δ10% (YTD)

- **Cash & Investments (79%):** loans obtained in March and April to respond to the COVID-19 emergency.
- **Other Current Assets (88%):** dividends declared by the related companies at the March 2020 meetings.
- **Assets under Concession (3%):** progress in the execution of projects such as Jobo - Paiva, Paiva -Mamonal and Jobo - Majaguas Gas Pipelines.
- **Financial Assets (7%):** update of the macroeconomic variables for calculating financial assets, which corresponds to the recognition of the account receivable from the Colombian state for the purchase option that the state has on the assets under concession.
- **Other Assets (7%):** increased due to the profits by the equity method, and capitalization on Gases del Pacifico for USD22 MM.

Liabilities Δ13% (YTD)

- **Current Liabilities (90%):** increase due to ordinary and extraordinary dividends declared in March 2020 and short-term loans obtained in April to respond to the COVID-19 emergencies.
- **Long-Term Liabilities (3%):** loans obtained in April to respond to the COVID-19 emergency, and an increase in exchange rate affects bonds in USD.

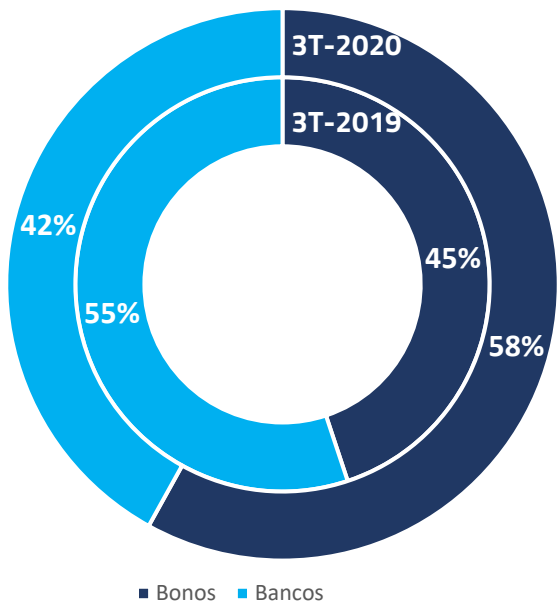
PROMIGAS CONSOLIDATED DEBT

Consolidated Debt
(Sep-20)

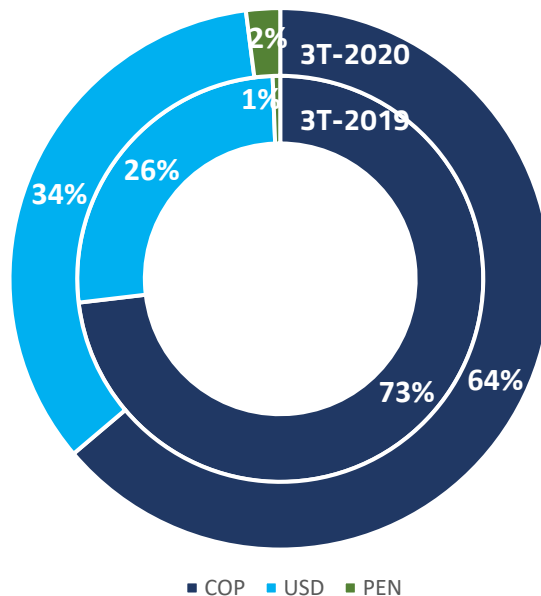
\$6.4 Tn
Δ21% vs Sep-19

Cash Return: 3.51%
Average Cost of Debt:
• September 2019: 6.25%
• September 2020: 5.05%

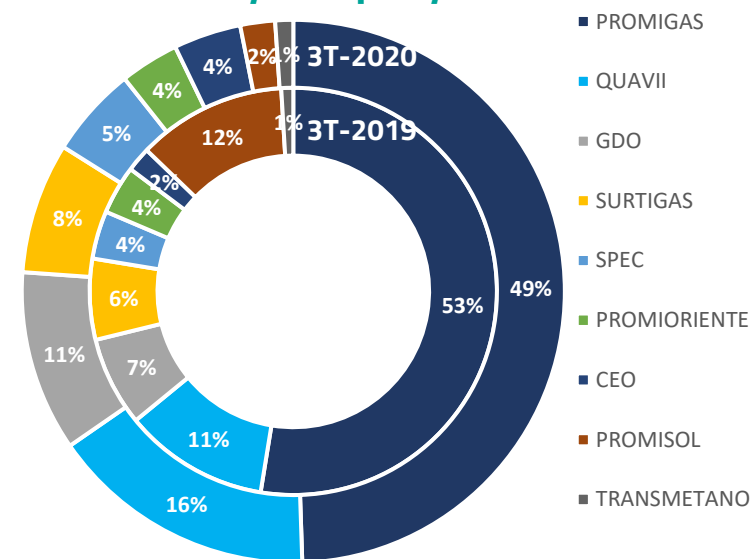
Debt by Product



Debt by Currency



Debt by Company



20th year AAA
(national)
10th year BBB-
(international)
Fitch
2nd year Baa3
(international)
Moody's



8th year AAA
(national)
Fitch



7th year AAA
(national)
Fitch



3rd year AAA
(national)
Fitch

“

Our access to local and international banking and capital markets, based on our investment grade credit ratings, have guaranteed, even amid the pandemic, **THE RESOURCES NECESSARY FOR INVESTMENTS IN COLOMBIA AND PERU AND FOR OUR AOM EXPENSES UNTIL MARCH 2021.**

We will continue working to optimize the profile of our corporate debt, both in term improvements and other conditions, in order to transfer these benefits to our integrated results, with the **FIRM COMMITMENT TO MAINTAIN OUR RATINGS.**

”



Q&A





ANNEXES

PROMIGAS CASH FLOW STATEMENT

Figures in millions of COP	September 2020
Net Profit	636.570
Depreciations, Amortizations and Provisions	96.591
Participation Method	-377.971
Dividends Received	177.115
Changes in Assets / Liabilities	-223.909
Operational Flow	308.396
Investment in Capital Goods	-238.207
Free Cash Flow	70.189
Disbursement of Loans	546.988
Amortizations	-337.676
Permanent Investments	-
Shareholders Cash Flow	279.501
Dividends Paid	-284.764
Net Cash Flow	-5.263
Initial Balance	73.845
Final Balance	68.582

PROMIGAS PROFIT & LOSS STATEMENT CONSOLIDATED

Q3 2020 vs. Q3 2019

Revenue (Δ-1%):

- **Operating Revenue (-1%): Surtigas:** lower sales volume, fewer connections and lower income in the materials and services business. **Promioriente:** lower income caused by contract flexibility in April due to COVID-19, and lower consumption by Ecopetrol. **Promisol:** decrease because during 2019 most of the activities related to the construction of the 100 MMSCFD project were executed and delays in construction works due to COVID-19. This is offset by **Promigas:** increased volumes transported by higher thermal dispatches from the Caribbean Coast, associated with low water generation; increase in deliveries of imported gas and regasified by SPEC to meet demand from thermal power plants; exchange rate increase and **CEO:**

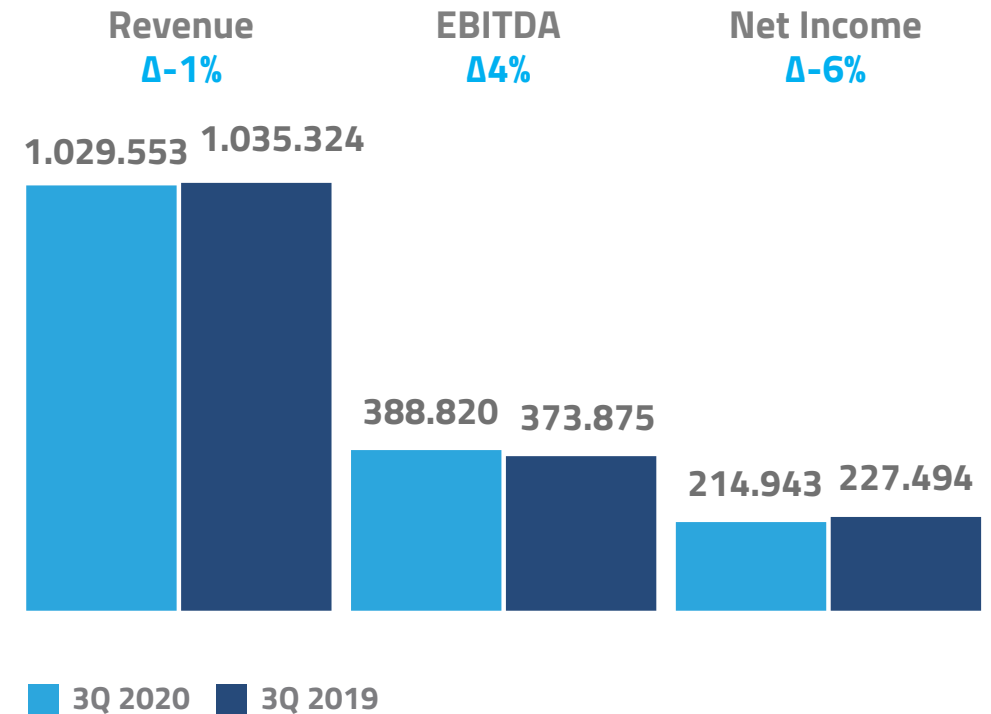
EBITDA (Δ4%):

- Increase in EBITDA mainly due to the austerity plan implemented because of COVID-19.

Net Income (Δ-6%):

- Decrease due to a higher income tax given that in 2019 : **Promigas:** i. higher tax benefit of real productive fixed assets, product of higher investments made for expansion projects; **SPEC:** recovery of US \$3.2 MM of the deferred tax, due to a change in the calculation methodology in order to stabilize the impacts of changes in the exchange rate.
- Higher depreciation and amortization in: **Promigas:** due to capitalization of the Paiva-Caracolí pipeline and compressor stations.

Q3 2020 vs. Q3 2019



PROMIGAS PROFIT & LOSS STATEMENT CONSOLIDATED

September 2020 vs. September 2019

Ingresos (Δ3%):

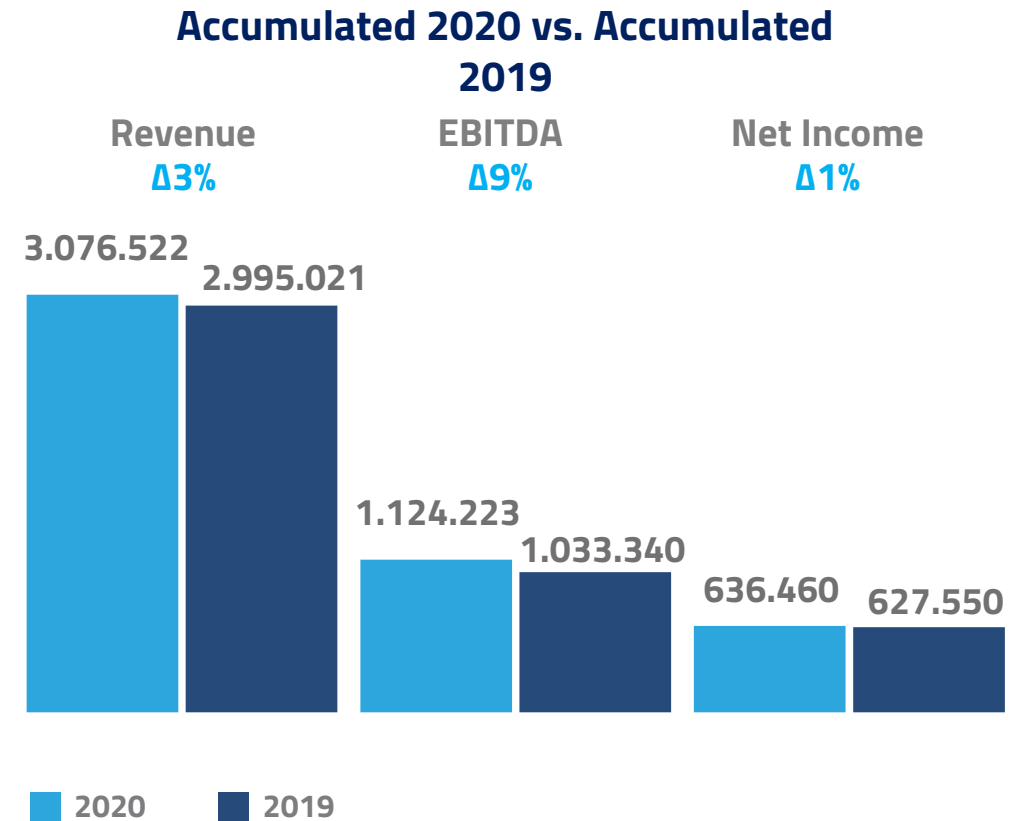
- **Revenue(2%): Promigas:** higher volumes transported due to higher thermal dispatches from the Caribbean Coast, associated with low water generation; causing an increase in the price of energy; increase in SPEC deliveries to meet demand of thermal power plants; exchange rate increase; **CEO:** higher sales and higher rate for increase in its components. Additionally, higher income from the collection of the CPROG (recognition of losses to network operators for expenses of loss plans) and income from reactive energy collected from Celsia.
- **Equity Method (9%): Gases del Caribe:** increase since in January 2019 there was an adjustment against the difference between the real profit vs the estimated profit for December 2018. Said adjustment was generated by the change in deferred tax after the approval of the Financing Law.

EBITDA (Δ9%):

- Increase mainly caused by higher operating revenue and a lesser increase in costs and expenses.

Net Income (Δ1%):

- Increase due to higher EBITDA and higher income from financial assets due to their update with real operating and macroeconomic variables.
- This is offset by a higher income tax given that in 2019 **Promigas:** i. higher tax benefit of real productive fixed assets, product of higher investments made for expansion projects, ii. recovery from the sale of the treatment plant to Canacol, iii. deductible expenses for payment of the arbitration process with Gecelca.
- Higher depreciation and amortization in: **Promigas:** due to capitalization of the Paiva-Caracolí pipeline and compressor stations and recognition of the deterioration of the Riohacha-Maicao pipeline; **Quavii:** in 2019, the method was changed from linear to productive units and it was applied retroactively, so there was a reversal.



FINANCIAL RESULTS BY SBU

SBU TRANSPORTATION



SBU DISTRIBUTION



Q3 2020



ACCUMULATED SEPTEMBER 2020



Q3 2020 vs. Q3 2019

Revenue
Δ-1%

EBITDA
Δ4%

Net Income
Δ-6%

Accumulated 2020 vs. 2019

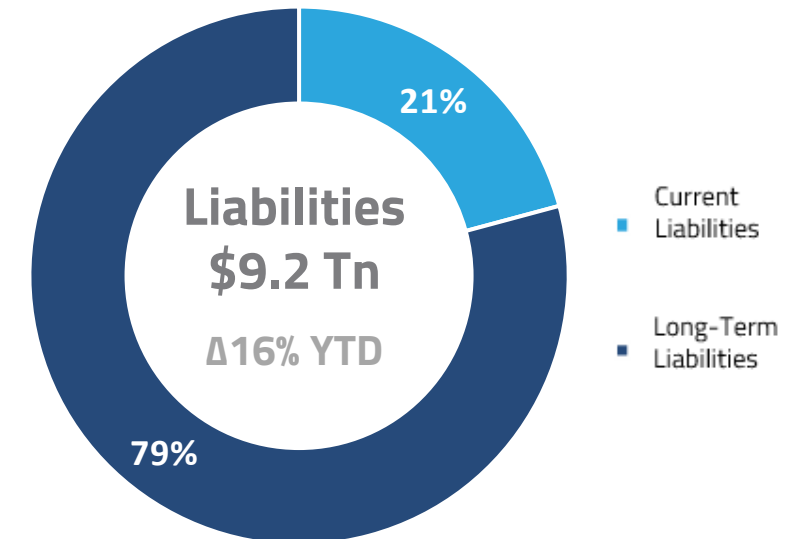
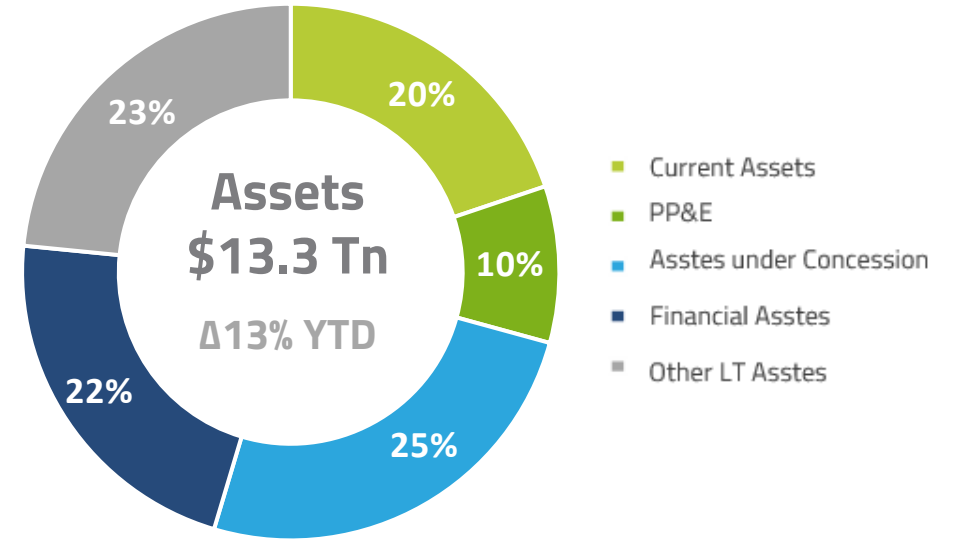
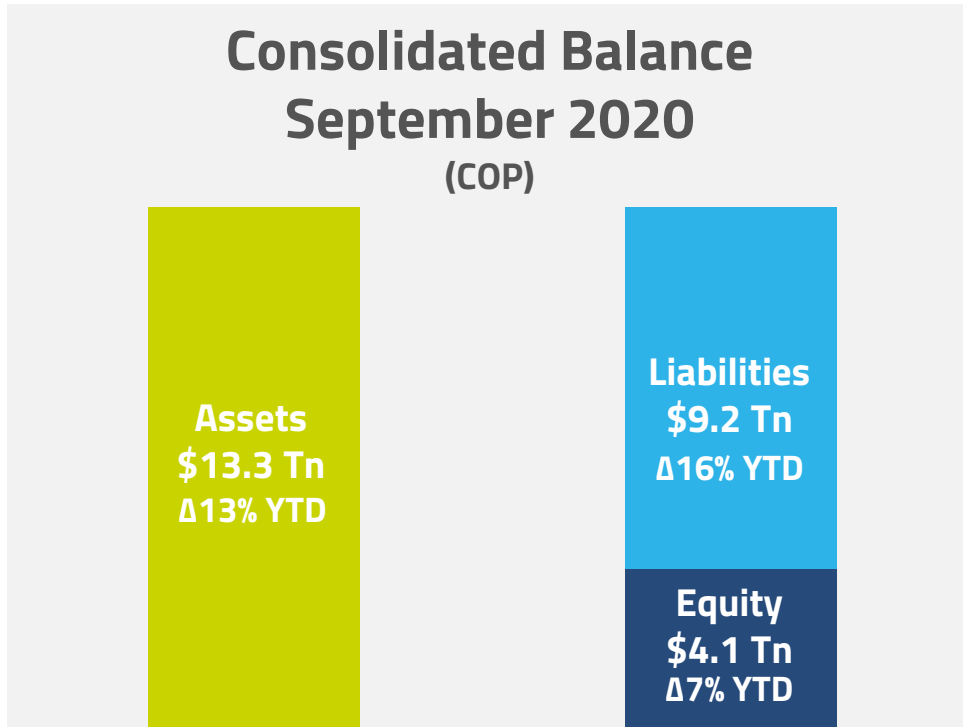
Revenue
Δ3%

EBITDA
Δ9%

Net Income
Δ1%

1) PROMIGAS EBITDA + SUBSIDIARIES EBITDA + NON-CONTROLLED DIVIDENDS RECEIVED

PROMIGAS BALANCE SHEET CONSOLIDATED





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¡THANKS!

