

**Quarterly Results Presentation**  
**1T 2021**  
**PROMIGAS**  
**May 27th**  
**Virtual Format**

**Juliana Vergara:** Good morning, Welcome to the presentation of Promigas' quarterly results as of March 2021.

My name is Juliana Vergara, Director of Investor Relations.

Through this platform we will have the questions button enabled, for questions and will be answered at the end of the presentation. Please note that this session is being recorded.

Today we are joined by Dr. Eric Flesch, President of Promigas and Aquiles Mercado González, Financial and Administrative Vice President of Promigas.

Now, Dr. Eric Flesch will begin the presentation of the results for the first quarter of this year.

**Eric Flesch:** Good morning everyone. I am pleased that you are accompanying us to the delivery of results for the first quarter of 2021, we are going to present all the information so that you have a vision of how we are doing in this first quarter.

We are going to talk first about the relevant facts, then the corporate aspects, then we will go to the transportation SBY, the distribution SBU, and finally we will be reviewing and delivering the financial results at the end of March.

Relevant facts for the first quarter

We can say that the main relevant facts are the results of the first quarter period where we recorded an EBITDA of COP \$321,115 MM and a net profit of COP \$270,839 MM.

This means a 7% growth in consolidated EBITDA versus 1Q 2020 (\$443,687 MM vs. \$412,845 MM) and a 2.5% growth in consolidated Net Income versus the same period of 2020 (\$270,963 MM vs. \$264,277 MM).

Regarding credit ratings, the results support our investment grade risk ratings Baa3 by Moody's and BBB- by Fitch Ratings. Both under international scale.

Likewise, Promigas, GDO and Surtigas maintain AAA local and Promioriente AA+ is local scale by Fitch Ratings.

Also as relevant facts we launched the Brilla program in Peru, we launched this non-banking financing program through our Promigas Peru operation in that country, which we also offer our services to all our natural gas customers.

We can also comment on the Promigas Shareholder Meeting, on March 17, the Shareholders' Meeting of Promigas was attended by 92.8% of the subscribed shares, the Profit Distribution Project was approved, decreeing dividends for a total of \$524,300 MM, which means an increase of 19% with respect to 2020.

Promigas was included in the S&P GLOBAL 2021 SUSTAINABILITY YEARBOOK S&P Global presented its "Sustainability Yearbook" 2021 where Promigas ranked 6th out of 51 in the Gas and Utilities Industry. It also ranked 4th out of 51 companies in the industry for its economic performance and good corporate governance practices, and 8th and 9th in the environmental and social dimensions, respectively.

In addition, Promigas is among the 100 most responsible companies and with best corporate governance practices Merco (Corporate Reputation Business Monitor), released the ranking of the 100 most responsible companies and with best corporate governance 2020, Promigas rose 32 positions and ranks 63rd.

In terms of corporate aspects, to highlight, in the transportation SBU, Promigas today has 3,292 KM of pipelines, we have extended the network by 67 km (2%) compared to last year.

Our transportation capacity today is 1,153 MPCD and the volume transported is 458 MPCD.

We have a regasification capacity of 400 MPCD, the regasified volume was 308 MPC and regasified days in the quarter 12.

We have a generation capacity of 47 MW and a gas treatment capacity of 35 MPCD

In the distribution SBU we have a total of 5.1 MM customers, 3.86 MM in Colombia and 1.2 in Peru.

Populations served between Colombia and Peru 922. Networks laid 50,152 KM in Colombia, 15,544 in Peru for a total of 65,697 KM. Gas sales 969 MMm<sup>3</sup> in Colombia, 1,910 MMm<sup>3</sup> in Peru for a total of 2,878 MMm<sup>3</sup>.

Regarding non-banking financing we have today 3.8 MM users, a portfolio of \$1.1 BN, an increase of 3.6% and a placement of \$241,082 MM, an increase of 32%.

With respect to electric power we have a total of 413,291 users today, also an increase of 3%, we have an energy demand of 247 GWh, losses below 13%, networks laid 33,000 KM, a round figure.

In terms of individual financial results we have the following figures to highlight at the cut-off of March 2021.

In revenues we have \$0.4 Bn, a budget execution of 103% and with respect to the first Q of 2020 an increase of 8%.

As for EBITDA \$0.3 Bn also a 107% budget execution and an increase over the first quarter of 2020 of 10% and net income we are also over budget by 6% to \$0.3 Bn and an increase of 2%.

Of this total, of this result, 57% corresponds to the participation method of our distributors and 43% Promigas.

Consolidated, total revenues of \$1.1 Bn, an execution of 98%, EBITDA \$0.4 Bn, an execution of 103% and an increase of 7% over Q1 2020 and net income of \$0.3 Bn, an execution of 106% and an increase of 2% over Q1 2020.

About the pandemic, Promigas was very proactive, very responsible and we are going to share with you what measures we took and what was our response on COVID-19.

Basically we plan, manage and adapt to this unthinkable situation for everyone in the world and that we are still going through, despite the fact that we maintain a 100% normal operation.

In the first quarter of this year, 73% of our employees are still working from home, 1,693 people, 626 are still at home. 693 people, 626 still in field/office work, we have a prevention and management strategy with biosecurity protocols, COVID 19 test plan, secure facilities, we have a financing strategy, we anticipated any additional resources we needed to be able to maintain the CAPEX planned for the year 2021 without any risk, we have supported and continue to support our customers with financing programs implemented during the sanitary emergency to users from income brackets 1, 2 and 3, we also continue in a dynamic and proactive way supporting our communities where we have presence and I am referring to more vulnerable communities.

Our results for the first quarter that ended in March 31 reflect the effort, by both Promigas and the companies in our portfolio, to meet the challenges faced in 2020 due to the COVID-19 pandemic. Although traces of it still persist in some of our activities in Colombia and Peru, we continue to work tirelessly on corrective and preventive measures with the contribution of the human talent from our employees and with careful planning, in order to ensure that our corporate results meet the expectations of the 2021 budget.

To highlight the human talent, the experience of all our executive team and in general of all the collaborators and the commitment of all of them for their company in order to provide a 100% uninterrupted public service to all our clients, to all our users.

### Corporate Aspects

Promigas is strengthening its sustainability plan, we are becoming a more sustainable company and we want to share with you what we have been doing.

Sustainable management: Commitment to gender equality and empowerment of women, we believe that the issue of equity and the issue of women is a very important issue, besides we have very capable women and Promigas is an example for this.

Promigas, a COLCAP company, has the highest female participation (60%), since there are three women and two men on its board of directors, 3 of the 5 main board members are women.

For the first time, female participation in the board of directors of COLCAP companies reached 19%, going from 26 to 30 female leaders, as reported by the Colombian Stock Exchange (BVC).

Promigas was the company with the highest number of women on the board of directors.

Our sustainability agenda, a way to strengthen our competitive position, expressing our commitment to generate value in all our actions.

Our commitment is to contribute to the social and economic development of the regions where we operate, accompanying our communities to overcome the challenges we face, to overcome poverty gaps and obstacles to social development, to orient development opportunities towards productive inclusion, to incorporate practices in line with a greater environmental awareness and for the sustainability of ecosystems, and to generate opportunities for equity and inclusion.

We also support our communities and stakeholders. We made a decision to reactivate the economy in Colombia and Peru where we have operations, where we defined a relief to SME suppliers, small and medium-sized companies, with the purpose of making a greater contribution to the economic reactivation of the country, Promigas and the companies of Transportation and Distribution of natural gas and electric energy, granted relief to suppliers that are Micro, small and medium-sized companies, modifying the term of payment of invoices from 30 days, as we normally pay, to 10 days.

We have a program called "More Solidarity, More Life", we have given 13,800 humanitarian aids delivered in this first quarter.

Promigas and Fundación Promigas continue contributing to the vulnerable families and donated more than 900 million pesos, delivering 13,800 humanitarian aids to families in the department of Atlántico and Barranquilla in vulnerable conditions due to the COVID-19 emergency.

Hands to the field: 400 families from the communities of El Crucero, Cañito, San Nicolas and Paiva have benefited; the objective is to support food security by supporting the production and commercialization of agricultural foodstuffs.

Sustainable Management: Productive Projects in Connection with the Tropical Dry Forest; the objective is the conservation of the Tropical Dry Forest Ecosystem.  
Economic support and strengthening of productive projects and food security.

The scope includes 56 beekeeping, silvopastoral, poultry, agroforestry, ecotourism and 35 water solutions (jagueyes) with 1,918 m<sup>3</sup>

The environmental impact is 550 hectares for the conservation of the tropical dry forest and the beneficiaries are 35 families in the community of San Juan Nepomuceno, Bolívar.

We are going to plant embraces, this is a program where we are planning to plant 200 thousand trees in 2021, which we call embraces that represent hope, life and sustainability of our territories. There are 200 thousand native trees that will be planted in 11 departments of Colombia, by the sustainability teams of Promigas and its subsidiaries. With the planting of our native species, we contribute to the recovery of the dry forest and its biodiversity.

Promigas is also a sustainable company, where we have, in a way, accelerated the spirit of innovation to build a sustainable future for our business.

We have an innovation acceleration plan with excellent results obtained in the first quarter of 2021, with increasing participation of employees in innovation actions and projects,

challenges that pose new business strategy, horizon of possibilities in the energy sector and this plan includes the allocation of 1% of the budget of all business units to the implementation of innovative initiatives or projects.

2nd Edition "Create your Environment", this is an event that we do every year, and the purpose was to identify successful innovations that are implemented in Promigas, where they are really felt and bring benefits, we were able to recognize 13 innovations developed by 16 employees, increasing operational security, strengthening information security, improving the relationship with our customers.

We also received recognition for the Innovative Project, the Project "Design and development of an Adaptive Computational Platform supported by agile methodologies for the operational management of Natural Gas Transportation Systems". It was recognized by the National Council of Tax Benefits and the Ministry of Science, Technology and Innovation, the truth is that the Promigas seal of innovation is everything and we continue working so that the company continues walking, continues evolving towards the path of sustainability and efficiency.

In the area of innovation, to build a sustainable future, we have an energy and gas research and innovation center and through the CIIEG we are also permanently awarding innovation proposals from our collaborators that are implemented in the company, here we have the photos of different people and of all our subsidiaries.

Now I am going to refer to the results of the transportation SBU.

In the first quarter of the transportation gene, the infrastructure at the service of the country's energy matrix, with reliability and safety, we commented that revenues were 332,987, they had a 6% drop, now we are going to see a little more the reasons and as you see the map of Colombia this is the footprint, the one in green, where we have our transportation operation through Promigas, Transmetano, Prommetano, Prommetano, Prommetano, Transoccidente, SPEC the regasification plant and Promisol our energy and services company.

#### Relevant aspects

We see below the map, the volumes consumed by sectors, you see the thermoelectric sector, this year 2021, has had a decrease, the year 2020 the 1Q was good, a lot of drought, the reservoirs decreased to historical levels of 32%, the thermal plants were working with more intensity, this year there is a decrease of 38%, reason why our income has decreased.

Industrial sector has risen 12%, distribution -5% and CNGV with the pandemic, reduction of budgets and with so many restrictions on circulation has fallen 12%.

In the transportation of natural gas, as relevant aspects we tell you that we are working on the improvement of the infrastructure, today we have investments in the first quarter for 2,400 million pesos that guarantee the integrity and quality of transportation in the areas of Santa Marta and Cartagena.

We have operational indicators of continuity of service of 100%, in Promigas this is the goal, always to be at 100% and transportation losses of 0.81%, when the regulatory limit is 1%.

As for maintenance, we have and we guarantee the integrity of the infrastructure, we changed 8.5 km of the protective coating of the Troncal LA Ballena - La Mami gas pipeline.

Relevant aspects, on the side of Promioriente, in the first quarter of 2021, there is an increase in transportation of 21%, this is due to higher consumption of the Barranca refinery and gradual recovery of the COVID-19 effect.

As for Transmetano, we also have an increase in transported volume of 6%, this means a positive recovery from the effects of the pandemic, even surpassing pre-Covid levels. There is a historical record of the average daily transported volume of 52.7 MPCD, we are almost there, we are at 51.

As for SPEC, we completed 4 years of operation, let us remember that we have a storage capacity of 170,000 m3 of liquefied natural gas, regasification capacity of 400 MCFD.

Regarding the relevant aspects, this year 2021, the number of cargoes has been 0 versus 7, last year the first quarter, due to drought issues that we were telling you about, then we have not received LNG this first quarter.

Natural gas delivered, we have also dropped -95%, regasified days -83%, only 12 days.

The hydrology this first quarter in Colombia has been quite different compared to the first quarter of 2020.

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

It also carried out a successful operation of the Bonga and Mamey hydrocarbon treatment plant, meeting the expectations of the client Hocol in terms of operational availability agreements.

And the definitive completion of the pipeline replacement project in the Via 40 sector of Riohacha, in La Guajira, was carried out.

Regarding the transportation of Natural Gas, with respect to regulatory aspects and more specifically in the commercialization of transportation, by means of Res. 001 of 2021 in January, the CREG published a mechanism for the allocation of gas transportation capacity when there is contractual congestion, that is, when requests exceed available transportation capacity.

In March, through Res. 022 of 2021, the CREG issued for consultation a transitory provision to negotiate contracts with interruptions until May 31, 2021. Through Res. 026 of 2021, issued in April, the CREG made it feasible to sign firm and interruptible contracts until May 31, 2021, with the aim of first assigning firm contracts or contracts that guarantee firmness and then those with interruptions.

Today, more than ever, we ratify the most resounding commitment to provide our services, activities and all our infrastructure, key to the energy matrixes of Colombia and Peru, in order to bring comprehensive benefits to all our stakeholders, for the good of the sector, the regions where we are and in general of the countries mentioned. We are betting on a

promising future, full of stability and opportunities to obtain better results every day, which will result in greater retribution for our stakeholders.

I would like to refer to the results of the distribution SBU.

We have the companies that are part of our distribution gene, Surtigas, Gases de Occidente, Gases del Caribe, Compañía Energética de Occidente (CEO), Quavii (Gases del Norte), Quavii (Gases del Pacífico) Cálida (Gas Natural del Perú) and Promigas Perú.

We have our shared service companies, Enlace, we have Versa, we have our non-bank financing program Brilla, etc... and we have the 2 maps of Colombia and Peru where in green, basically it is our footprint in each country where we have operations.

SBU Transportation pretty much maintained revenues in the first Q of 2021, revenues of 773.18 billion pesos.

In terms of relevant aspects, we see a little table below the map, at the bottom left, we increased accumulated users by 3%, connections for the period grew by 7%, populations served are 878 in total, we grew by 4%, in Colombia, networks laid 50,152 km and gas sold grew by 2%, 969 m3.

At the end of 1Q, Promigas serves close to 37% of the country's users. Service was provided to 42 new towns in the last 12 months, 5 in 1Q 2021.

Gas distributors in Colombia account for 70% of SBU Distribución's total users and 30% of our users in Peru.

Gas sold corresponds 79% to distribution and 21% to commercialization.

Mobility: we had an entry into operation of 36 NGV tractor-trailers in GdO and Surtigas, the NGV issue has been resentful due to the effects of the pandemic.

We launched a new Brilla image and a verbal complement to unify and consolidate communications, there is a new program with new offers for Brilla users, and in GdO we obtained ratification of the "AAA" rating from Fitch Ratings for the eleventh consecutive year.

In Peru, we can see that accumulated users, below the map, grew by 14%, we already exceeded 1,200,000 users, connections for the period 61,617, with a growth of 42%; populations served 44, networks laid 15,544 with a growth of 12%, gas sold 1,910 MMm3, a growth of 2%.

Cálida serves almost 1,100,000 users between Lima and El Callao, with an effective coverage of 92%.

At the end of 1Q, it sold 1,882 MMm3 of natural gas, increasing 17 MM m3 compared to the accumulated to March 2020 and obtained a "BBB" rating ratification from Fitch Ratings international scale for the fourth consecutive year.

Promigas Peru, the company in charge of Quavii's management and strategy, has 99 employees as of March 2021, who coordinate all the activities necessary to comply with our commitments under the concession contracts.

Regarding Quavii Gases del Norte and Gases del Pacífico, we would like to mention that Quavii distributed 19 MMm<sup>3</sup> of natural gas to 19 MMm<sup>3</sup> users, there was an increase of 48% in volume associated with the number of accumulated users, of this increase, 7 clients are industries with high consumption.

In its fourth year of operation, it reached 51% coverage, closing 1Q with a total of 131,000 residential users, equivalent to 90% of the 5-year connection plan.

In Gases del Norte, as of March 30, the gas pipeline laying project is 38% complete, the cost invested has been US20MM, for 10 km of pipeline and 3 city gates stations built.

There is an early stage activation for April 30, 2021, three months before the contractual commitment and due to emergency declarations for COVID causes, MINEM extended the POC deadline to July 24, 2022.

Regarding regulations, in Colombia, the CREG published a draft resolution that establishes general criteria to remunerate the activity of retail commercialization of fuel gas through pipeline networks to regulated users.

It determines a fixed component and a variable component where operational margin, portfolio risk, financial costs due to delay in subsidy payments and additional contribution to strengthen the SSPD Business Fund are recognized.

In the process of administrative acts for the definition of the distribution charge, during the first quarter the requirements of the CREG were attended.

In Peru, the regulations of Law No. 29852, which creates the Energy Social Inclusion Fund FISE, were modified, expanding the scope to regulated users and systems or means of distribution or transportation of Natural Gas.

The financing possibilities include CAPEX investments and investments not included in five-year plans, as long as the users are mostly residential.

Regarding electricity distribution, service quality and management indicators higher than those required by the standards.

Regarding regulatory aspects, in CEO, our company, through resolution 40060 of March 3, 2021, issued by the Ministry of Mines and Energy, regulates article 296 of Law 1955 of 2019, by which the National Development Plan "Pact for Colombia, Pact for Equity" is issued, which obliges the commercializing agents of the Wholesale Energy Market, that from the year 2023, 10% of the annual energy purchases come from Non-Conventional Renewable Energy Sources (FNCER).

In terms of noteworthy operational facts as of March 2021, CEO connected 3,898 new users, accumulating a total of 413,291, the demand is 247 GWh served in the quarter.

In its effort to reduce energy losses, the company recorded a commercial loss indicator of 12.8% (lower than the contractually required 17.00%) and entered into operation SFV 1 Olímpica store project on April 15, accumulating 10 in total with 1,188 MWp.



Regarding BRILLA, our non-banking financing program, we continue to offer extensive benefits for our customers, loyalty and profitability.

In 1Q 2021 we unified quotas leveling all companies with increases between 10% and 15%, tools were enabled for user deepening in different lines to be financed, there are improvements in risk model with new allocation criteria according to payment behavior.

We have entered more and more into the digitalization of Brilla credit: Launch of a new Brilla sales platform with digital transactions.

119,065 users were benefited from January to March accumulating 3.8 million since the beginning of the program, incredibly, this is one thing to highlight, well nice, 95% of these 3.8 million users are from income brackets 1, 2 and 3.

The portfolio as of March 31, 2021 is COP \$1.1 BN, a growth of 3.6% with respect to 2020.

Now we go into financial results and I give the floor to Doctor Aquiles Mercado, our Financial and Administrative Vice President, please Aquiles.

**Aquiles Mercado:** Thank you very much Doctor Flesch, good morning everyone, to share with you the results we have obtained up to March 31, we will start with the individual profit and loss statement of Promigas, in which we can see on the left an increase in revenues of 8%, in our EBITDA of 10% and in net income of 2% when compared to the results of the first quarter of the immediately preceding year.

Revenues reached \$373,501 MM pesos, 3% higher than budgeted.

Although our operating revenues decreased by 5%, it has been previously explained that there was a decrease due to volumes transported, since in the first quarter of 2020 we had notable increases in thermal dispatches from the Coast, associated to the low water generation during that period while this year we have had hydrological precipitations above the averages of the last 15 to 20 years.

Recalling and emphasizing the holding structure of Promigas, the equity method involves the results of the companies in which we have shareholdings, 25% presented an increase in this item.

In the case of GDO, one of our subsidiaries, which serves the natural gas distribution business in Valle del Cauca and part of the department of Cauca, an increase in profit in the gas business due to lower costs, lower portfolio provision expenses and lower financial expenses due to lower interest rates.

Surtigas, which essentially serves the departments of Córdoba, Sucre and Bolívar in natural gas distribution, presented an increase in income from financial assets due to the updating of macroeconomic variables and also a higher equity method, taking into account that this company is a shareholder of the natural gas distribution subsidiaries in Peru, Quavii and Gasnorp, the latter presented an increase in profit due to the application of IFRS 15, associated to the concession contract and the intense investment program we are developing to strengthen the physical infrastructure that will allow us to reach the levels committed to the Peruvian State on this front.

As for Promisol, there is an increase due to Ecopetrol indemnity for the cancellation of a gas treatment contract.

EBITDA presented an increase of 10% with respect to last year and a 7% higher execution than the budget we expected for the closing of the first quarter, reaching \$321.115 MM.

This increase is mainly generated by higher income from the equity method and lower costs and expenses in accordance with our Responsible Austerity Plan, launched with great emphasis in the first quarter of last year, so that we could responsibly face the challenge imposed by the Covid 19 pandemic, without affecting at all the quality and safety standards of our service.

Net income reached \$270.839 MM, an increase of 2% over the previous year and 6% above budget, due to the increase in EBITDA, higher financial income generated by the disbursement of loans to related companies.

The above was offset by higher financial expenses due to higher average debt balance, higher income tax due to lower tax benefit compared to 2020 due to lower investments due to rescheduling of the execution also due to the pandemic situation we have faced worldwide and in Colombia as well.

Regarding our BALANCE SHEET items, we see that assets reached \$8.6 Bn, an increase of 3% against the immediately previous year as of the end of December.

Current assets grew 154%, let us remember that during the first quarter the annual meetings of the related companies are held and dividends are recorded as accounts receivable in this item, short term, therefore, they are reflected in this increase.

The financial asset associated to our concession contract, presented an increase of 3% due to the 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, or the potential account receivable, for the purchase option that the state has over the concessioned assets.

Other assets decreased by -3% due to the lower recording of profits by the equity method and dividends declared in March 2021 that remain on this item.

Liabilities grew by 13% to US\$4.5 Bn, equity decreased by 5% to US\$4.1 Bn.

Liabilities, this 13% increase is mainly represented by a 178% increase in current liabilities due to the ordinary dividends mentioned by our president decreed in March 2021 and the transfer from the long-term of seven -year bond series.

Long-term liabilities decreased -2% due to the concept mentioned before, reclassification of liabilities according to their maturity offset by the increase in the TRM that directly affects the loans recorded in USD in our balance sheet.

To show a return of Promigas consolidated debt, it reached \$6.1 Bn USD, at the March cut-off we see that there is an increase of 1%, however, managing during 2020 we managed to decrease with two bond issues, one local and one international, a reopening of the international bond, the average cost of debt almost 150 basis points from 5.94% average to 4.91%.

The debt by type of product is a significant concentration in bonds, with which we have a relevant long-term profile, by currency we still have about 9% of debt in pesos and 39% of debt in dollars and some in Peruvian currency due to our operations in that country and the debt concentrated mainly in Promigas due to the construction activities we have developed and continue to work on.

Quavii Peru, also because of the investment commitments we are deploying to meet all the requirements of the concession contract.

Gases de Occidente and Surtigas, two of the most important natural gas distributors in the country and Spec our regasification plant, the only one operating at this time in Colombia and which is serving the energy matrix.

We recall our credit ratings that we have at this moment, we have been AAA local for twenty years and BBB- international for ten years by Fitch and it is our second consecutive year being BAA3 international by Moody's.

Our subsidiary GdO has been AAA national for nine consecutive years, having issued several times in the local market, Surtigas for 7 years and also issuer in the national bond market and Promioriente for 3 years with AA+ by Fitch.

With this we end and we open the round of questions if we have, Juliana Vergara will be guiding us on this front.

**Juliana Vergara:** Thank you very much to Dr. Flesch and Aquiles Mercado for their presentation and we now give way to the Q&A session. Remember that through the platform where you are currently watching the presentation, you have enabled the questions button where you can send us your concerns. We will give you 5 minutes to send them.

**5 minutes.**

**Juliana Vergara:** The first question is from Nicolas Romo from MetLife, what do you expect to happen with Promigas' rating if Fitch decides to downgrade Colombia to BB+?

Aquiles Mercado: Well, I am going to take this answer myself, let's see, although the rating agency will always have the last word, we have made many analyses since we found out or the news came out that Standard & Poor's had downgraded Colombia, which allows us to be moderately optimistic about maintaining our rating.

What are those factors and parameters that we have been looking at?

It is important to know, we have been triple B in investment grades for 10 years, we obtained it before Colombia obtained its investment grade almost a year and a half before Fitch granted the triple B minus to Colombia, at that time for example we did not have operations in Peru, that has also allowed us to diversify our sources of income, today the company's income in Peru and the assets we manage in that country, Today the company's income in Peru and the assets we manage in that country would allow us to cover the debt in dollars that we have at this moment, with which the country feeling of Peru begins to play a very important factor so that in case Fitch decreases the investment grade to Colombia, having a rating of Peru of A-, Fitch could apply the country feeling of Peru and not Colombia. and

that we have not suffered any relevant impact on our financial status, as the numbers now show, with remarkable growth in the first quarter despite the pandemic situation and even today, which we will review in due course, despite the situation the country is going through, So we are optimistic that we will be able to maintain our investment grade and we are in constant conversation with Fitch, constantly informing them about positive events or even those that may have an impact on our operation.

**Juliana Vergara:** The next question is also from Nicolas Romo from MetLife, how do you assess the risk that all the contracts that are about to expire will not be renewed, is there any field that is decreasing its production and makes it difficult to renew its contracts?

Ricardo Fernandez: I take that question first to clarify that the market our clients have a solid tradition and a solid consumption have a contracting average that the maturity as we call them is 6 years for example the thermal generators are normally contracted at 10 years and the refineries originally at 20 years and the distributors between 1 and 5 years we also have a growth as we reported in the last few years. we also have a growth as we reported in the industrial sector consuming very solidly and some effects as we saw due to the issue of mobility in GNB and in some cases in regulated consumption, but we do not expect significant impacts in terms of the field that is declining as the Guajira field has been replaced by the fields in the south, This allows the sufficiency of natural gas for our markets and obviously the tranquility of our transportation contracts, therefore we see a very low risk in this aspect.

**Juliana Vergara:** Thank you Ricardo, we have a question from Julián Ausique from Davivienda Corredores and the question is: how is the issue of the regulatory WACC for transportation going and do you already have any expectation of impact on results?

**Ricardo Fernández:** I continue answering this question myself also, the resolution of the WACC came out in a definitive way and it was already firm and our concept came out satisfactorily and the expected range is between 11% and 14% real before tax and let us remember that for the definitive impacts we have to wait for the methodology to come out in an integral way because this defines the rest of the variables, let us remember for example in the “rate base” - the tariff base we have been intense in CAPEX to be able to integrate the southern fields and that obviously has to be evaluated in an integral manner to have the impacts which we do not expect to be negative, we have an expectation of an important tariff for Promigas.

**Juliana Vergara:** Thank you Ricardo, we have two questions from Jorge Nájera from Banco Itaú and Julian Ausique from Davivienda Corredores regarding the strikes and blockades and in general the public order situation in the country and if there has been any impact on the group companies at an operational or infrastructure level or with respect to personnel.

**Eric Flesch:** Well, best regards to these people who are asking us this question.

We are very sorry for the situation that has been occurring in Colombia and as we have said our support is total and absolute to our institutions and we hope that this situation can be overcome very soon.

In the case of Promigas, fortunately, the damage has been very small, it has been minor, in the different regions where we have been, there has been no problem, there has been no interruption of service except for Valle del Cauca.

In Valle del Cauca, through our company Gases de Occidente, we provide gas service to towns such as Buga and Buenaventura and there is no network extended to these towns and gas is transported virtually and with the blockage of the roads, of course in these towns there was suspension of service, that besides affecting the users and the towns, affects Gases de Occidente in some way, but its impact is minor due to the consumption of these towns.

This week the virtual transportation was normalized, today we do not have any problem with blockades, let us hope that this continues in this way, but let us say that the good news within what is happening in the country, which is not good, is that Promigas has not been affected, its collaborators are fine, the offices and assets are fine, there has not been any problem simply these road blockades that affected the dispatch of this virtual transportation of gas that has been overcome to date, thank you very much.

**Juliana Vergara:** Thank you Doctor Flesch. The next question or questions come from Manuela Mora from Compas and Estefania Mosquera from Credicorp Capital about the result on the demand of the Jobotransmetano Gas Pipeline if you can give us a little more color on this.

**Eric Flesch:** Well, last year Promigas launched a mechanism that the CREG and the general government implemented and which is called open season where one really tests the demands and matches the demands with the production and Promigas as transporter simply connects, this pipeline is very important for the country because it closes the loop in the west of Colombia and there is a loop in the east through TGI that goes from Ballenas de la Guajira and goes to the plains where the gas reserves are.

So it is a really good mechanism, very transparent, very open, where all the demands raise their hands and point out their consumption and one can establish, let's say, the size of the volume of gas to be transported.

This process is open for us, there is a very important client in Antioquia which is EPM, with EPM we have been holding conversations, EPM has not yet made a decision on the matter, so we hope to be able to carry out the conversations with EPM and with the rest of the demand and determine the viability of this open season of this project, we are moderately optimistic and I say moderately because I do not want to guarantee a victory party here because this is going to be done, the open season is a bet, that is what it is all about, so we are doing it in a responsible manner and we are going to talk to all the possible companies that demand our gas and in the next few months we will be able to announce to the country if the open season really gave us positive results that will allow us to advance the project, we hope so and this again as I said before is a transparent process, good for the country, the first time this mechanism is used and this loop strengthens enormously the gas transportation infrastructure in the country especially those gas reserves that are new in the Middle Magdalena Valley, Córdoba and Sucre, etc. So we will be telling you about it.

**Juliana Vergara:** Thank you very much Doctor Flesch, we have a question from Estefanía Mosquera from Credicorp and the question says: Could you comment on what has happened with the distribution tariffs after the information was sent last year?

**Wilson Chinchilla:** I can take that question Juliana.

In fact after last year we reported all the information to the CREG to establish the distribution charges, product of that delivery during this first quarter the CREG has requested us detail information of the ABs of each distributor, they were reported, This is within the time budgets established and with this detailed information report requested by the CREG and which was delivered, I repeat, a month ago, we expect these definitive charges to be issued by the end of December for immediate application in January 2022, that is to say, the process and the administrative acts initiated by the CREG are within the times foreseen in our budgets and in our schedules and we expect to have definitive charges by December of this year, thank you.

**Juliana Vergara:** Thank you very much Wilson and let's move on to the last question from Mr. Enrique Porto and the question is how much will the evaluation issue affect us in the investment programs that are modeled and foreseen?

**Aquiles Mercado:** I can take that question Doctor Flesch.

Enrique thank you very much for the question, in general terms we have a hedging policy on all fronts with respect to the devaluation and it is not a speculative policy, let's say it is a structure, which first allows us to guarantee compliance with the income budget in Promigas, let's remember that the gas transporters in Colombia are not only Promigas, We buy forwards, which is the mechanism with which we protect compliance with the budget, beyond speculating whether the dollar is going to go up or down, and with that we guarantee income for our shareholders and all our stakeholders.

And with respect to the investment programs, also once the projects are defined and closed or agreed with those who are going to be beneficiaries or if it is a Promigas project we also have all the implementation mechanisms to cover the CAPEX or the investment to be made if it is in dollars and finally the debt also has a natural hedge so we are not exposed, we do not expose our P&L to the fluctuations of the exchange rate.

**Juliana Vergara:** Thank you very much Aquiles, Doctor Flesch, we have no more questions, we can proceed with the closing of the presentation.

**Eric Flesch:** Thank you very much Juliana and we are very grateful to all the attendees who joined us this morning to our first quarter presentation, we are very pleased that our company is doing very well as you have already seen, we hope to continue the following year in the same way, we have to continue taking care of this pandemic and we hope that we can definitely overcome all these public order problems that are occurring in Colombia and that logically we will all return to normality very soon.

For now, I send you all a special greeting and again. I'm very grateful. Take care of yourselves, have a good day.