**Transcript of Promigas Call**

**Q1 2024 Quarterly Results**

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**Hora:** 11:00 am

**Lugar:** Virtual platform

**Juan Manuel Rojas:** Good morning, everyone. I apologize for the delay. Welcome to our first quarter 2024 earnings call. I am Juan Manuel Rojas, CEO and President of Promigas. We have good news regarding the results of this first quarter.

To begin, I would like to mention that Promigas has evolved from being purely a gas transportation company to an energy holding company in recent years. In this regard, I want to start this earnings call by showing you the strategic direction we are heading towards. As you know, those who follow us, we have a significant area that is our Core businesses, which have historically characterized Promigas. These include our natural gas transportation companies, our natural gas distribution companies, our value-added services companies, and the Spec regasification plant we have in the Colombian Caribbean.

In addition to that business area, we have made progress in what we call Low Emissions businesses to succeed in the energy transition. Here, we have created an entire group of businesses related to energy solutions, primarily Self-Generation and Cogeneration, as well as distributed solar energy. Another group of businesses is associated with sustainable mobility. We also have electric power distribution with the asset you know as CEO, and a positively growing business called Brilla. On the other hand, we have the aspirational aspect. As we have mentioned in previous earnings calls and will discuss further, we are currently moving very large volumes in Colombian transportation.

This first quarter, for example, we moved more than 56% of the volumes. In the gas distribution area, we have 38% of the distribution business in Colombia, and including the non-controlled indirect participation of Cálidda, we have 95% of the gas distribution in Peru. Therefore, Colombia and Peru have become small for us, and that is why we have defined an aspirational area where we seek to diversify and grow in other geographies, mainly in our Core businesses. As enablers to leverage these businesses, Promigas has made a tremendous effort to expand all our actions in the environmental, social, and governance areas, to have a much more diverse workforce and human resources, and to make the corporation much more inclusive.

We have been developing pilot projects in the entire area of innovation and alternative energy. We are also making progress in the areas of artificial intelligence and digital transformation, and we will go into more detail about that shortly. Additionally, we have been implementing a synergies and efficiencies program for over a year with very positive results, which supports the business areas mentioned above.

To face the challenges ahead, we have identified four areas to distribute these challenges. If you look at the dark blue box, they are related to the development of our Core business to make it more resilient and competitive. Here, the challenges involve developing the necessary infrastructure in Colombia and Peru to make these businesses resilient and to guarantee energy security to our users, primarily.

In this regard, the development of this infrastructure includes projects such as bidirectionality. We are working with the regulator to advance in the management of bidirectionality. We were able to implement a first phase with TGI in April of last year to integrate the two transportation systems. However, to expand this bidirectionality, we need to progress on the regulatory front. These are examples of the infrastructure challenges we face to ensure reliable supply to our customers in Colombia. We are also working on promoting and developing a legal and regulatory framework aligned with an orderly, affordable, and secure energy transition.

In the aspirational area, we are actively identifying growth opportunities in other geographies, primarily Brazil and the United States. As you know, a year ago we made an important bet in Brazil. Although we did not manage to finalize the project, we continue to seek opportunities in that market as well as in the North American market since Peru and Colombia have become small for us

In the area of low emissions and energy transition businesses, we need to scale and diversify our energy solutions business. As we will see later, this business has been growing very positively. We have reached over 86 MW by the end of the first quarter this year and we aim to achieve 120 MW of installed distributed solar energy and self-generation and cogeneration by the end of this year.

We want to enhance the Brilla business, not only by expanding in what we call B2C, increasing our customer base of individuals, but also by making our initial steps into the B2B sector. Additionally, we aim to boost the demand for sustainable mobility. This business has been growing well in Peru and needs to grow better in Colombia. Remember that each truck or tractor-trailer dedicated to natural gas is equivalent to connecting 300 homes to natural gas in Colombia or Peru. Therefore, expanding the number of trucks and natural gas mobility infrastructure becomes a significant challenge.

In the area of enablers, we are advancing in capturing synergies across different areas of the corporate group. We will soon see how we are organizing ourselves to achieve this. However, we need to make more progress in the area of digital transformation. We are working quickly with various providers to deepen our agreements and alliances with strategic suppliers, allowing us to advance more rapidly in digital transformation, capture more synergies, and generate greater savings.

These are the four areas where we are concentrating our efforts. This has also led us to organize ourselves differently. That is why I wanted to dedicate these first minutes of this call to not only share this evolving strategic vision and the challenges we have identified but also to explain how we are reorganizing within the Promigas group and at the corporate level to address these challenges.

We currently have four highly visible business areas: one is transportation, another is distribution, and as you know, these are the resilient Core businesses. Within the transportation business and the distribution business, we also focus on areas such as services to producers, gas mobility, and regasification. Additionally, we have two new vice presidencies: one for energy solutions and one for non-banking financing, which are supporting these two Core areas and are closely related to how we want to enhance the businesses.

In the corporate support area, we have four support vice presidencies. The Vice Presidency of Corporate Affairs and Sustainability handles all environmental, social, and governance matters, as well as the general secretariat and legal affairs. The Vice Presidency of Financial Management and Resources, led by our Chief Financial Officer (CFO), supports all businesses at the financial level, including the corporate debt strategy, among other things. This vice presidency is headed by Aquiles Mercado, whom you already know.

We have the new Vice Presidency of Strategy and Growth, where we have grouped the teams for new businesses that will support the inorganic growth of the four business areas: energy solutions, transportation, distribution, and non-banking financing. This vice presidency mainly focuses on inorganic growth and centralized regulatory matters for the entire corporation.

Lastly, there is the Vice Presidency of Innovation, Technology, and Digital Transformation, a new vice presidency that consolidates efforts in capturing synergies from new energy pilots and focuses on innovation and digital transformation.

Additionally, we have the operations area, which also provides support to all business areas with the best practices and the highest standards in operations and industrial safety. This is how we are organizing ourselves within the Promigas group: a corporate support area, the four business areas, and the operations area to support these challenges and the new strategy mentioned at the beginning.

Let's go to the results and highlight the outstanding performance elements we had in this first quarter. What are these elements? First, I would like to highlight an individual increase of 38% in Promigas' revenue compared to 2023 and a 7% growth in consolidated revenue. I also want to particularly highlight the reduction in costs and expenses that we have been implementing within the group at a consolidated level, a 2% reduction compared to 2023. This has led our actual consolidated budget to be 1.04 billion versus the 1.19 billion that was in the budget. This expense control policy has resulted in a significant performance in terms of EBITDA, achieving 113% of our consolidated EBITDA. We reached 660 billion pesos, a 30% growth compared to 2023. There was a 22% growth in Promigas' individual EBITDA compared to 2023, reaching 420 billion and achieving 117% of the budget.

Therefore, we have revenues in line with the businesses, growing compared to 2023, and an important expense control policy that has allowed EBITDA to grow beyond our estimates. This has resulted in an outstanding profit for this first quarter, 22% above our budget, reaching 310 billion pesos at a consolidated level, and 27% above the 2023 figure for Promigas.

So, these results are very favorable. As I always like to highlight, the balance we have between these Core businesses and how they complement each other in terms of EBITDA and profit is remarkable. Gas transportation, regasification, and services to producers complement the downstream and last-mile distribution businesses in Brilla, energy solutions, and electricity. The EBITDA is generated 55% and 45% from these segments, respectively, and in terms of profit, we see a very balanced distribution of almost 53% and 47%. This balance and diversification are very favorable for us in evaluating our performance.

If we look at the distribution of EBITDA by business areas under this new focus, of the 660 billion pesos in EBITDA for the first quarter of March 2024, 86% comes from the Core businesses. However, we see that low-emission businesses are starting to contribute nearly 15%, with almost 100 billion pesos of EBITDA coming from these low-emission businesses, particularly highlighted by Brilla in electric energy. However, we aim to grow the mobility business further.

Regarding energy solutions, even though they show a loss of 21 million pesos, we will see a turning point starting in April. We expect to begin recording favorable indicators, and by the end of the year, we anticipate this business will contribute 10 billion pesos in EBITDA, which is the guidance we have for this business and what we hope to demonstrate by December. This means that low-emission businesses will have approximately a 15% share in EBITDA generation, which we find very important. The Core businesses remain significant, with natural gas distribution generating 32% of the EBITDA and natural gas transportation contributing 39%.

What else would I highlight? The very good performance of regasification, largely due to the El Niño phenomenon, confirms that our regasification plant is the insurance for the Colombian electrical system. The regasification plant has been very active, and we will see more details on this moving forward. We also had excellent results in our decarbonization program, meeting our goal in the first quarter by achieving a reduction of 6,500 tons of CO2. Additionally, I would highlight the strong performance of our efficiency program, where this year we are on track to achieve 44 billion pesos in efficiencies, meeting the goal we have set for ourselves.

Moving on to other relevant events of the month, I would like to emphasize the reaffirmation by Moody's of our international rating at Baa3. This demonstrates the financial solidity of our company, our long-term debt profile, access to financing, and adequate liquidity of the Promigas group.

Regarding operational excellence and discipline during the first quarter of 2024, we highlight that we transported 59% of the national gas demand (I previously mentioned 56%, but it is 59%), which is an incredible figure under our systems.

I also want to highlight that in the first quarter of the year, on March 27, our regasification plant Spec reached a regasification record by delivering 400 million cubic feet per day at full capacity, which was our capacity until March 31. This demonstrated how we supported 100% of the installed capacity of thermal flow, approximately 2000 MW, backed by our regasification capacity.

Now, one of the important data points from April that I think is worth mentioning is that, starting from early April, we were able to expand our regasification capacity from 400 million cubic feet per day to 450 million cubic feet per day. On April 16, we reached the full capacity of 450 million cubic feet per day, representing 35% of the national gas demand through our regasification plant. Therefore, on March 31, when we had 400 million cubic feet per day, we reached full capacity on March 27 with the 400 million, and once we expanded that capacity to 450 million in April, we achieved this maximum capacity on April 16, during the El Niño phenomenon, meeting additional volumes required by the Colombian electrical system.

I also highlight the reduction in accident indicators, with a 23% reduction in the LTYFR at the corporate level compared to the same period last year, which demonstrates that industrial safety remains a priority in our operations. Another point of excellence and operational discipline to highlight is that during the first quarter of this year, we positively impacted almost 400,000 people by connecting 110,000 new customers to our electrical and gas systems, both in Colombia and Peru.

We received several recognitions; we were included for the fifth time in the S&P Global Sustainability Yearbook. Promigas' results in that evaluation were superior to 89% of the companies assessed in their sector in the environmental and economic areas, and superior to 92% in the social area, reaffirming Promigas' outstanding performance in this regard. The other recognitions are included in the presentation, and we are very proud of them.

I am going to go into each of the sectors and businesses in natural gas, it is very important to mention what we have been doing in terms of transportation, we ended the quarter with 3,284 km of high pressure transported capacity where we could mobilize 1,165 million cubic feet per day. 284 km of high pressure transported capacity where we could mobilize 1165 million cubic feet per day, we have a contracted capacity of 891 million cubic feet per day where we executed almost 100% of the budget and we transported volumes for 645 million cubic pesos per day on average with a reliability of 99.99% of continuity in the operation, we are very pleased with the performance of the Transoccidente, Transmetano, Promiente and Promigas systems where our transporters had record volumes reaching 59% of the gas mobilized in Colombia.

Por el lado del gas natural licado, como mencioné antes, durante el primer trimestre de este año Spec, la regasificadora, operó a máxima capacidad alcanzando niveles históricos de recibo y de regasificación desde el 1 de enero al 31 de marzo recibimos 17 buques de GNL y tuvimos ese récord que mencionamos en marzo de capacidad máxima de 400 millones de pies cúbicos por día de regasificación.

If we look at the accumulated since the plant began operating, we have received 81 LNG cargoes and we have regasified 85,718 million cubic feet per day, becoming the country's energy insurance.

At the distribution level, we are positively impacting the quality of life of close to 22 million people at the natural gas level. In natural gas customers we connected 107,579 in the first quarter, we connected around 3,000 at the electric energy level, reaching 6.42 million customers in natural gas and another 453,000 in electric energy, of which we have 38% of the Colombian market and 96% of the Peruvian market covered with our networks.

Also, very favorable results, 74,000 km of networks in both markets and here with gas sales that are well above what we had budgeted, reaching 103% of the budget, also very good performance in the distribution systems.

As I mentioned, the energy solutions business has been growing very favorably, we were able to expand the portfolio by 102% of the capacity in compliance with our strategy. The portfolio of generation projects reaches 86.3 mw of which 71 are distributed solar energy, we have 33 operational, 23 under construction, and in commercial closings almost 15, this is moving very fast, we are putting in almost three commercial offers per week, which makes us very proud, we have a lot of commercial strength in the team, and we are growing this business at an important pace. We want to close this year with 120 mw of distributed solar generation and auto and cogeneration.

We are also starting to make the first pines in the auto and cogeneration business in Peru, you will soon hear about this, we are starting in this market with this business, and we are present in Colombia in five regions of the country covering more than 20 departments with these businesses.

In electricity distribution I already mentioned that we connected almost 3,000 customers, 2,537 new customers connected in the first quarter reaching 400 almost 452,000 customers in the Cauca area impacting close to 1.5 million people every day through 38 towns despite the difficult security conditions to operate in the department of Cauca we continue to advance their very favorably.

And in sustainable mobility, we are proud to mention that we already have 1,502 dedicated vehicles in Peru and almost 700 in Colombia. Each consumption of these vehicles is equivalent to almost 300 connected homes, so it is very important to continue growing this line of business and it is a business that already leaves us 58,000 million pesos of Ebitda and we have had an over execution of 113% of the budget with respect to what we had expected, here we made some important changes, we brought a new manager who has been operating with us for several months now and from the line of Wilson Chinchilla this business is growing in the area of distribution and mobility in a very fast way.

Let us move on to Brilla and this is another business, as you know, we have energy solutions, transportation and distribution, Brilla is one of the low emission businesses that has been growing very favorably and represents an important part of the Ebitda, almost 15% to 20% of the Ebitda of the distributors. In the first quarter of the year, we were able to place loans for 346,000 million pesos, 94% of which are concentrated in strata 1, 2 and 3 in Colombia; this is a tool for the growth of Colombian households, especially households that do not have access to traditional bank financing.

We currently have almost 790,000 active clients in our portfolio, we serve 400 municipalities in Colombia, and we have been present in Peru since 2021. We created this vice-presidency of non-bank financing as part of Brilla's growth strategy to strengthen above all the growth line in b2c and b2b and we have seen very favorable results of how this business has been performing.

In terms of enablers, let's move on to the topic of Social Footprint, I already mentioned that during the first quarter almost 400,000 people benefited through 110,000 new connections, 2,500 of electricity and the rest 108,000 to gas, mainly in the Peruvian market we are growing a lot in terms of connections and there we are transforming lives, these households either stop using firewood to connect to gas or switch from LPG to gas, saving around 5% to 7% of disposable monthly income, so it has a very positive impact to continue connecting homes.

In inclusive business, once again I would like to highlight what Brilla does, we impacted close to 118,500 families benefited during the first quarter, 25.4% of Brilla's customers do not have other financial or credit products, that is, this is a new alternative for them, it is a tool for financial inclusion. And of the almost 400,000 million of placements we made in the first quarter, 42% were placed in intermediate and small municipalities and in rural areas, which is very important, this is not only in large urban centers, but we are also reaching regions of Colombia where there is no formal financial access and where we are an alternative for the poorest households and of stratum 1, 2 and 3.

I would like to highlight the efficiency program, we are continuing along the line that we had proposed to reach those 105 billion accumulated savings, in 2023 we surpassed the goal of 20 billion reaching efficiencies of 32 billion, this year we expect to reach 27 billion in the program and I believe we will reach 40 billion with what we have been working on, the goal was 27 billion, I believe we will reach 40 billion and on this front, where do those efficiencies come from? We are adjusting within the group to achieve those efficiencies is an important component that comes from the operational excellence part, how we distribute our crews, how we make the field tasks much more effective, 6.3 billion of administrative efficiencies 11. 280 million in the way we buy and do smarter strategic sourcing and about 274 million in IT/OT and in digital transformation another 500 million, we have a potential, I mentioned it in the challenges at the beginning, to achieve more synergies and greater savings by improving in the digital transformation part and IT/OT excellence, but we are very well captured as of March 2024, 34,486 and the cumulative target is going in 44,637 is another important line.

In terms of Capex execution of investments between January and March we executed 82% of the planned 143,970 million of which 76% was executed in the Core businesses 79% of the Capex and in energy transition businesses the remaining 21% 52,467 million, the estimated year-end closing as guidance is 957,000 million, we had proposed 995,000 million we believe we are going to reach 957,000 with 957,000 of the planned almost 96% and in this we are keeping a very detailed record and a very detailed monthly follow-up. Of that 957,000 million, 747,000 would go to the Core businesses and 210,000 million to the trans businesses, we have a performance well above what we had recorded in other years, we are monitoring that it is executed very well, maintaining all the industrial safety criteria that have characterized us.

I will now turn to the financial results, here I give the floor to our CFO Aquiles Mercado to tell you how we are doing in terms of results. Thank you.

**Aquiles Mercado:** Good morning, you already know me, Aquiles Mercado, financial vice-president of Promigas. We are going to start with some comments regarding what we have had in the financial statements, there is the summary on the screen, regarding the financial statement, profit and loss of Promigas individual we see that revenues had an increase of 38% with respect to the immediately previous year, a 98% compliance with the budget.

At the budget level, precisely, there was an under-execution as a result of the lower thermal dispatch due to an unexpected increase in water contributions as a result of a delay with respect to what we expected in the budget, although we budgeted for the El Niño phenomenon that occurred with a small delay with respect to the time of the particularly higher peak, which resulted in a lower volume than budgeted of 90 million cubic feet per day.

With respect to the previous year, there was an increase in revenues due to the higher value consumed by the thermal sector in 2024 due to the El Niño phenomenon, which caused reservoirs to reach historic lows by an average of 30%, resulting in higher transportation revenues due to the greater use of the variable contracts of the thermal plants since Spec, as a result of the intense activity of regasification of imported liquefied natural gas for their own consumption.

Likewise, in 2024, income corresponding to the recognition of the financial lease of the projects for the execution of energy solutions for an amount of 16,464 million was recorded, while in 2023 this accounting began as of the third quarter. Additionally, there is an increase in the revenues of the non-bank financing business as a result of the signing of the franchise contract of the Brilla program with Gases del Caribe, Efigas and Gases de la Guajira, revenues that began to be received as from the second quarter of 2023, which is not comparable, and this increase is presented.

With respect to the participation method, that is, the participation of the profits we obtain through our subsidiaries and companies in which we hold non-controlling participations, we see that there is an increase of 8% with respect to the previous year and quite important, an execution of 124% with respect to the budget, that is, we had in the transportation part regasification and mainly regasification services, very relevant, as far as the thermal plants imported gas and we rendered the regasification service for 127% of the budget.

In the distribution part or the segment of gas distribution, electric energy and Brilla, an increase of 2% with respect to the immediately previous year with an execution of 126% with respect to the budget and in essence, it is due to this over execution to Spec, higher income from regasification as a result of a higher volume of 2,249 million cubic feet per day additional to what we expected in the budget, precisely to meet the requirements due to the El Niño phenomenon and a recovery of the gas supply that could evaporate from our inventory due to adjustments in the provisional cost.

As for Gases de Occidente, there is a better result in the commercialization business to meet the thermal demand at this time when it was most needed in the country, in CEO higher income as a result of the sale of energy surpluses in the stock exchange, in Promigas Perú higher income for the execution of the Con Punche Perú program, as the government of that country calls it, promoted to accelerate the massification of natural gas, which generates greater residential connections and margins for the construction of polyethylene networks by our distributors in that country so that the government accelerates massification, as is its main interest.

In costs and expenses the second column that you have on your screen, we see an increase of 28% over what we had expected last year, but an execution of 88% by budget, that is, although we expected these to increase and we are going to execute it, we continue to monitor and has not yet begun a full operational activity at the end of March so we are executing 88%, mainly due to lower gas consumption in the Philadelphia and Paiva stations, remember that our compressors use gas as fuel to operate and depending on the transportation and operation programs the compressors are used more or less, in this case there has been less use due to the transportation programming from Canacol's source in Jobo to Spec.

Change in the program of activities of the Rise with SAP contract, this is an upgrade in our IT operation, which has displaced the invoicing of the services budgeted since January, however, these will be executed in subsequent months, so the budget will be fulfilled. There have been specialized consultancies to be invoiced associated with the search for new businesses in line with our diversification strategy for the incursion into new geographies and low emission businesses, additionally, as we have already mentioned, we continue with a strict control of costs and expenses, product of our efficiency program which has allowed us to maintain a lower level than expected, even in the midst of a very challenging economic context.

With respect to 2023, the variation mainly corresponds to the recording of the cost corresponding to the financial lease of the projects in execution of the energy solutions business for 16,034 million, which in 2023 began to be recorded as of the third quarter. The salary adjustment corresponding to all our employees with a CPI + 1.8, 11.08 a very important item in our costs and the outsourcing contract of specialized cybersecurity service that began to be recorded in April 2023 and that this year is since January to protect the company's operations.

Moving on to the third column on your screen the explanation of Ebitda, a significant increase of 22% and an execution of 117% with respect to the budget, in essence it is a result of what we were seeing previously, higher income from participation method by Spec, in GDO more gas commercialization in secondary market and commercialization businesses to meet the thermal demand, in CEO sale in bags of energy surpluses and the execution of the Con Punche Peru program in Promigas.

As it was also illustrated above, the execution of costs and expenses 88% generates a behavior of the Ebitda as we are looking at it in a relevant way, with respect to the previous year in which we also grow 22%, increase is generated by the better results in revenues 38% due to the higher thermal volume in 2024 presented by the due to the phenomenon of the child, resulting in turn in higher transportation revenues due to the greater use of the variable contracts of the thermal plants from Spec as a result of the intense activity of regasification of liquefied natural gas imported by these users for their own consumption, on the other hand, costs and expenses show a growth in line with inflation.

Coming to the final line, the fourth column on your screen, the net income presents an increase of 27%, a quite important execution of 121% what we expected at the end of the quarter and reflects everything we have been explaining previously, additionally, a decrease in the indexers in the financial expenses that have allowed us to have savings on this front of 12. 35 has been the cost in 2024 versus 14.11 in 2023 and we have also been having an intense credit refinancing activity always looking for the ideal conditions term and cost, we do not like to get into short-term debt to optimize the financial cost, we always take into account a match between our accounts receivable and our debt term.

If we move on to the consolidated part, we can look at the balance sheet above in terms of current assets we see that it presents an increase mainly due to the dividends declared by the related companies in the March 2024 meetings for 583,101 million pesos, there we are seeing an increase of 1.6% so far this year in current assets. The financial assets that include the effect of the update of the macroeconomic variables necessary for the calculation of financial assets that are generated in accordance with the accounting principles that govern us and other long-term assets, decrease in long-term investments due to the dividends declared in March and the adjustment for the conversion of hedging of investments abroad.

Regarding liabilities there is an increase due to the ordinary dividends decreed by Promigas for its shareholders, let us remember that once they are decreed in the assembly they must be caused as a current liability in that they will be paid during the year for 585,581 million that will be paid in three installments until December and this increase is offset by the payment of short-term debt in compliance with our liability structures. An increase in long-term liabilities is observed mainly due to the exchange rate difference, the exchange rate has been higher than what was recorded in December 2023 which affects the debt accrual in dollars mainly our bonds held in this currency.

Regarding revenues, which we are about to move on to the consolidated financial statements, you have on your screens at this moment the complete view and I am going to explain it column by column. We see an increase of 7% and 98% of the budget execution, also due to the gap we had between what we expected according to our estimates as long-term stochastic models with the El Niño phenomenon, in relation to what happened, a more intense El Niño phenomenon and a little more extensive than what we expected in the budget and displaced in time.

With respect to the variation versus 2023 we had an income from ordinary activities, also due to the El Niño phenomenon, in this case mainly in our related companies Spec a better result in the commercialization business to meet the thermal demand in GDO and higher income in the gas treatment line in Promisol. Income from concession construction shows a decrease because of lower income in Gasnort Peru due to lower gas pipeline construction because of the anticipated fulfillment of the gas distribution infrastructure expansion obligations contracted by us with the Peruvian government through the concession contracts.

In the line of costs and expenses we observed a negative increase, a decrease of 2% and a budget execution also downward which is mainly due, as we have explained, to the lower gas consumption in Promigas compressor stations due to the change in the transportation schedule, In addition to all that we had operationally in Spec, we also had a recovery in the supply of gas that evaporates, the development of this infrastructure, which is usual, we have it in the liabilities, but we have to be paying for it and we had a saving by lowering the average cost from 9.5 in production to 6.9 in production. 5 in production to 6.9 per million BTU and, as we have already mentioned, the efficiency program that keeps costs and expenses under control.

Coming to the Ebitda line, the third column on your screen, we find a 27% increase in our operational Ebitda and a 113% increase in budget execution, mainly due to lower gas consumption, costs and expenses, as we have already mentioned, the compression units, the price recovery in which we had in our financial statements the provision to replace the evaporation gas and the responsible and controlled execution of costs and expenses generated by the efficiency capture we have been talking about. With respect to the previous year, there was a growth in Ebitda, impacted by better results in revenues, as we have already mentioned repeatedly, due to higher thermal volumes because of the El Niño phenomenon, higher revenues in Spec GDO and CEO.

At this point we turn then to the net income of our consolidated financial statements which we can mention with satisfaction that there is an increase of 27% over the previous year and an execution of 122% of the budget, this in essence is a positive consequence of all that we have been mentioning of the higher revenues from the better than expected performance against the expected of our subsidiaries and companies in which we maintain a non-controlling interest, the lower financial expense as we mentioned before with which we closed the quarter with a profit that exceeds 312. 312 billion pesos, which is 22% above budget, as we have already mentioned.

Thank you very much.

**Juan Manuel Rojas:** Vamos a tomar preguntas que hemos ido recibiendo durante la llamada. La primera pregunta es de Florencia Mayorga que dice lo siguiente: ¿Podrían confirmar los dividendos a pagar en 2024? así como la estrategia para refinanciar deuda de corto y esta pregunta la va a responder Aquiles Mercado.

**Aquiles Mercado:** Thank you with respect to the dividends it is in our web page, but we can remember that three facilities were declared for 195,000 million pesos for a total value of 585. The installations will be paid on August 22, October 22 and December 20 for equal values the three, this was already decreed in our corresponding assembly in March and as we mentioned before it is registered in the assets in the current liabilities with which could have a relation with the following question as far as the increase that is seen in the current liabilities is not for greater debt but for the causation of 585,000 million pesos since once decreed in assembly they must be caused as a liability to our shareholders and then start to pay us.

Now independently of that we are advancing different activities to refinance or refinance, if you allow me the expression, all the debt we have, we are thinking, first in a bond issue for our Brilla business, we are working with a multilateral entity in this front to prepay debt mainly and some placement of this year. We are in the stage of exploring all the terms and conditions, definition of the rate, but that would send much of the debt back to 10 years. We also have the reprofiling of the debt we have in Peru for about 250 million dollars, different from the bonds, with which we cannot have anything, do anything, and it really has a term of more than 7 years.

We are working with a syndicate of banks and hope to close it around June or July, so we would also send this debt for 5 to 7 years, so we would have a totally different picture from this year.

And Surtigas, one of the subsidiaries, we have just been approved by the financial superintendence, a bond issue, we are reviewing the market conditions to see if the conditions are the most favorable to make the change of short term debt that may mature in the coming years for a long term bond issue, we always take into account also the cost to see if the tradeoff for a long term against what we currently have does not affect the financial statements in terms of the cost of the debt.

Additionally, let us remember that we have a recurring bond program in which at this moment we could issue up to one trillion pesos, something to be structured between 6 and 7 weeks if the needs so require. At this moment our Capex program is covered with the credit quotas we have to date.

**Juan Manuel Rojas:** We have a second question also from Florencia Mayorga, can you confirm how much is the WAL of your contracts at consolidated level for the gas transportation business?

Thank you Florencia for the question, yes, the consolidated WAL is 6.75 years and here it is important to highlight that through structured, flexible and jointly beneficial commercial strategies at the end of the year we were able to increase by almost two years the term of our contracts from 4.6 to 6.75 years, in this point the contracting with the thermal sector stands out, where the contracts of the clients Tebsa, Termocandelaria and Prime Termoflores were renewed for 5 traditional years until 2031 and who increased by 3% their contracting and 13% the equivalent fixed charge.

There is a third question from Diego Vázquez that has to do with mobility and here I am going to give the floor to Wilson Chinchilla to answer it, the question is the following, why in Colombia the growth of mobility to dedicated positions with NGV does not present such an accelerated growth as in Peru?

**Wilson Chinchilla:** Good morning, actually the growth of dedicated vehicles in Peru has two basic elements that do not exist in Colombia, the first is that there is no subsidy on gasoline or diesel in Peru, which is different in Colombia, then there the competitiveness of natural gas over diesel is 50% in favor of natural gas, that makes vehicles dedicated to Natural Gas especially for tractor-trailers are extremely competitive in Peru.

The other element is that in Peru, there is a fund called Fise that helps to encourage the conversion and purchase of vehicles dedicated to Natural Gas, for example, a tractor-trailer can receive from the Fise bond a loan of 17,000 dollars, so let's say that these are two fundamental elements that drive the growth of vehicles dedicated to natural gas in Peru.

Now, in Colombia we are on a very positive path to stimulate the growth of this market niche, for example, the Gas Track fund was created two months ago and became operational in Colombia for the financing of the Truck Man of that carrier who does not have access to traditional banking and this fund is created to help him to scrap the vehicle and buy a vehicle dedicated to Natural Gas.

Likewise, the Colombian government's scrapping fund has increased the aid it gives to the transporter that scraps its tractor-trailer, it has risen to 28% of the cost of the vehicle and on the other hand the Ministry of Transport has just announced a line of credits with compensated rate to stimulate the purchase of tractor-trailers dedicated to Natural Gas, this is a credit that would go up to 1. We believe that these three measures that I have just mentioned will significantly boost the growth of heavy cargo transportation with natural gas vehicles.

**Juan Manuel Rojas:** Thank you, Wilson, we have a question from Ricardo Sandoval from Bancolombia related to whether we have a guidance to be able to share the Ebitda that we estimate, are we going to have at the end of the year for the low-emission businesses?

On that Ricardo, thank you very much for the question, the guidance we have for the Ebitda of Brilla is going to be around 300,000 million pesos approximately between 300,000 and 305,000 million pesos and the guidance we have for energy solutions is around 6,000 to 7,000 million pesos, at the end of the year that is the Ebitda we estimate.

We have a next question from Ricardo Sandoval about opportunities in Brazil and the US, at this moment: How many businesses are being evaluated? what stage are they in? how tangible are the opportunities?

I am going to take it and then I will give the floor to Aquiles Mercado to mention the leverage capacity we have available on this front.

Let me see, as I said before, today the markets of Colombia and Peru are too small for Promigas, so we have to look for ways to grow in other geographies. For more than a year and a half we have been studying in detail the Brazilian gas distribution business in particular, and to a great extent it has to do with the fact that Brazil will soon have to start to see what it is going to do with the gas it is injecting to get the oil out of the pre-salt faster, As the pre-salt begins to decline that gas will become available, we saw how in 2020 Brazil made a very important reform and passed the gas law and therefore they are beginning to liberalize their market, promoting privatizations and a greater ease of commercialization of the gas that was usually injected to extract oil faster in the pre-salt, what does that do? That there is an important potential for the gas distribution business to grow in Brazil and we are very attentive to that, because if Promigas and its distribution subsidiaries are good at something, connecting homes, laying networks and growing on that front, then we are very attentive to the possibilities that appear in Brazil in terms of gas distribution, we have not been lucky yet, but we are waiting for those opportunities, this with respect to Brazil.

In the United States we are evaluating the gathering and processing and transportation market in the Permian and Texas and we believe that there may be opportunities for the transportation area of Promigas and especially where we can take participations in infrastructure projects that connect the development of wells both in the Delaware Basin and in Midland with trunk transportation systems, We have been screening the market, we believe that there are important possibilities and we have been learning about it. However, the way of approaching the United States is different, so what we would look for there, for learning purposes, is strategic alliances with teams that are already there, and we have been making progress on that front as well.

As for the capacity we have for this type of operations, I give the floor to Aquiles, about this you will be hearing more, we cannot give details because these are confidential matters.

**Aquiles Mercado:** Thank you Juan Manuel, at this moment it is important to mention the level of our indicators, our debt Ebitda indicator at the end of March is 3.2 times, that is, there we have enough room to take on debt and support the commercial groups in the search for new businesses and we manage that indicator with which Fitch measures us, normally we try not to exceed 4, up to 4.5 we have tolerance in the case of construction of projects that will generate a subsequent Ebitda and previously reviewed with this agency.

In the case of Moody's we are required 12 times EBITDA over net debt and we are at 14.1, so we can also clearly see that we have a surplus capacity to take additional credits to what the business expects this year, which does not exceed 250 million dollars in organic investments, so the final answer is that we have ample indicators to contract more debt in the case of projects that may arise. Thank you very much.

**Juan Manuel Rojas:** We have room for two more questions, there is a question related to the importation of gas from Venezuela, what would be the opportunity for Promigas? A very good question, we are very attentive to when this import of gas from Venezuela could take place and that requires, as Ecopetrol has announced, a repair of the Antonio Ricaurte gas pipeline in the Colombian part where some sections that have been stolen are missing. We understand that PDVSA is working with Ecopetrol and if this gas enters through the Ballenas system and would make use of the Promigas infrastructure if the gas were to go to the Caribbean coast, do we have available capacity in those pipes? Yes we do, if that gas were to enter through Ballena once the Antonio Ricaurte pipeline is repaired and the Ballena station that had been vandalized is repaired, that gas would enter and could go both to the interior through the TGI pipeline and to the Caribbean coast through the Promigas pipeline that serves the Caribbean coast, there it would be benefited, the issue is when we could see those volumes, enter if they are authorized and if the pipeline is repaired we believe that if it happens it would not be before one year.

There is a next question as to whether given Spec's success we could expect further expansion. Let's see, we already expanded from 400 to 450 million cubic feet per day in April and we have announced our interest in increasing that capacity from 450 to 530 million cubic feet per day by 2026, that requires investments that we estimate will be around 70 million to 80 million dollars in the preliminary way we are evaluating them, it requires some modification issues in the environmental license that also has its times, but Promigas is interested in making this capacity expansion especially because we believe that Colombia needs it particularly in the period 2025 - 2029 which is when one would estimate that the developments made in the Colombian offshore could enter the system, so on that basis if Promigas is interested in expanding that Spec capacity up to 530 million cubic feet per day, are regulatory changes required to make those volumes available for the interior of the country? Yes, bidirectionality is indeed required, currently the existing bidirectionality that we put together with TGI in the Guajira system allows moving 65, 66 million cubic feet per day in both directions, towards the coast and towards the interior, and that capacity is now fully occupied during the Niño phenomenon.

If we wanted to expand that capacity to move molecules inland, we need more than 66,000 million cubic feet per day, if we need bidirectionality and there is a draft resolution in the CREG pending approval where it would allow expanding that bidirectionality capacity up to 170, 160 million cubic feet per day, once the works are done, that would be the regulatory change that would be pending.

All the other questions that we have not answered, we would answer them in writing to the people who asked them.

Once again I close by thanking everyone for connecting as always, for your questions and for your interest in Promigas, I believe that the first quarter of the year showed very positive results, we are well above what we had budgeted at a financial level and at the level of the environmental, social and governance goals that we had set as a corporation, we hope to continue bringing you very positive news in the other earnings calls and we will see you in the next quarter, thank you all very much and be well.