

***Promigas S.A. E.S.P. and subsidiaries
Condensed Consolidated Interim Financial Statements
For the period ended June 30, 2023
With the independent auditor's report***

Promigas S.A. E.S.P. and Subsidiaries
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(In thousands of Colombian pesos)

	Note	June 2023	December 2022
ASSETS			
CURRENT ASSETS:			
Cash	4	\$ 901.695.767	1.729.015.247
Financial assets at fair value	5	336.271.544	344.385.795
Financial assets at amortized cost	6	1.473.164.600	1.419.093.395
Inventories	7	175.274.026	170.793.767
Advances or credit balances due to taxes		84.086.742	27.029.362
Other assets	8	<u>266.520.564</u>	<u>209.572.080</u>
TOTAL CURRENT ASSETS OTHER THAN ASSETS HELD FOR SALE		3.237.013.243	3.899.889.646
Non-current assets held for sale		<u>1.122.031</u>	<u>667.616</u>
TOTAL CURRENT ASSETS		<u>3.238.135.274</u>	<u>3.900.557.262</u>
NON-CURRENT ASSETS:			
Financial assets at fair value	5	3.701.800.548	3.533.419.448
Financial assets at amortized cost	6	1.765.939.828	1.962.023.575
Investments in associates	9	903.081.130	1.087.469.872
Property, gas pipelines, networks, plant and equipment	10	1.389.889.287	1.359.028.420
Intangible assets:			
Concessions	11	5.569.304.177	5.893.178.605
Goodwill		151.797.257	155.276.916
Other intangible assets	12	<u>141.987.242</u>	<u>135.904.572</u>
Total intangible assets		5.863.088.676	6.184.360.093
Rights-of-use assets	13	160.408.446	138.817.366
Investment property		9.315.332	9.315.331
Net deferred tax assets	14	71.860.183	69.276.388
Other assets	8	<u>320.942.587</u>	<u>371.514.143</u>
TOTAL NON-CURRENT ASSETS		<u>14.186.326.017</u>	<u>14.715.224.636</u>
TOTAL ASSETS		<u>\$ 17.424.461.291</u>	<u>18.615.781.898</u>
LIABILITIES			
CURRENT LIABILITIES:			
Financial obligations	15	\$ 821.395.826	825.228.978
Bonds outstanding	16	57.939.945	435.925.689
Accounts payable	17	937.680.732	751.996.525
Employee benefits	18	24.497.431	25.068.794
Current tax	14	17.154.549	81.080.987
Provisions	19	75.076.701	113.896.004
Other liabilities	20	<u>175.161.300</u>	<u>187.634.248</u>
TOTAL CURRENT LIABILITIES		2.108.906.484	2.420.831.225
NON-CURRENT LIABILITIES:			
Financial liabilities	15	3.802.371.007	4.083.689.447
Bonds outstanding	16	4.414.413.399	4.702.411.548
Accounts payable	17	25.418.178	29.743.502
Employee benefits	18	2.555.401	2.544.764
Provisions	19	276.473.863	281.309.609
Net deferred tax liabilities	14	<u>1.080.238.601</u>	<u>1.069.661.511</u>
TOTAL NON-CURRENT LIABILITIES		<u>9.601.470.449</u>	<u>10.169.360.381</u>
TOTAL LIABILITIES		<u>11.710.376.933</u>	<u>12.590.191.606</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Subscribed and paid-in capital	21	113.491.861	113.491.861
Share issue premium		322.822.817	322.822.817
Reserves		1.342.484.299	1.226.467.276
Retained earnings		3.280.857.600	3.483.643.517
Other equity transactions		(11.554.543)	(11.554.810)
Other comprehensive income		<u>359.741.903</u>	<u>560.937.733</u>
TOTAL SHAREHOLDERS' EQUITY		5.407.843.937	5.695.808.394
NON-CONTROLLING INTERESTS	22	<u>306.240.421</u>	<u>329.781.898</u>
TOTAL EQUITY		<u>5.714.084.358</u>	<u>6.025.590.292</u>
TOTAL LIABILITIES AND EQUITY		<u>\$ 17.424.461.291</u>	<u>18.615.781.898</u>

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Aguiles Mercado González
Legal Representative (Alternate)**

Mercedes Benítez Cohen**
Public Accountant
Professional License No.87037-T

Rosangela Barrios Pantoja
Independent Auditor
Professional License No. 155173-T
Member of KPMG S.A.S.
(See my report dated August 14, 2023).

We, the undersigned Alternate Legal Representative and Public Accountant certify that we have previously verified the statements contained in these condensed consolidated interim financial statements and that they have been prepared in accordance with the information faithfully taken from the accounting books of the parent company and its subsidiaries.

Promigas S.A. E.S.P. and Subsidiaries

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

(In thousands of Colombian pesos, except for net income per share, which is expressed in Colombian pesos.)

	Note	For six-month periods ended:		For three-month periods ended:	
		June 2023	June 2022	June 2023	June 2022
Revenue					
Contracts with customers	\$	2.558.264.742	2.297.501.934	1.271.251.146	1.170.764.781
Revenues from domestic concession contracts		50.155.354	74.566.192	24.810.040	39.845.581
Revenues from foreign concession contracts		152.173.962	304.544.753	64.444.218	144.325.176
Other revenue		302.315.187	190.115.649	154.923.249	96.558.482
Total revenue	23	<u>3.062.909.245</u>	<u>2.866.728.528</u>	<u>1.515.428.653</u>	<u>1.451.494.020</u>
Cost of sales and services rendered		(1.919.466.488)	(1.571.888.240)	(960.036.384)	(825.332.283)
Cost of construction of domestic concession contracts		(40.101.405)	(43.044.149)	(18.837.765)	(24.245.344)
Cost of construction of foreign concession contracts		<u>(88.355.000)</u>	<u>(169.563.143)</u>	<u>(38.046.392)</u>	<u>(79.838.770)</u>
Total Cost of sales and services rendered	24	<u>(2.047.922.893)</u>	<u>(1.784.495.532)</u>	<u>(1.016.920.541)</u>	<u>(929.416.397)</u>
GROSS PROFIT		1.014.986.352	1.082.232.996	498.508.112	522.077.623
Administrative and selling expenses	25	(261.244.475)	(213.960.401)	(140.840.531)	(114.168.865)
Share of profit of equity-accounted in:					
Domestic associates		58.064.278	61.317.015	33.853.339	(14.756.018)
Foreign associates		<u>96.989.882</u>	<u>84.815.703</u>	<u>46.053.085</u>	<u>84.815.703</u>
Total share of profit of equity-accounted	9	<u>155.054.160</u>	<u>146.132.718</u>	<u>79.906.424</u>	<u>70.059.685</u>
Dividends received		1.198.396	1.250.450	(630)	-
Impairment for expected credit losses	6	(42.357.175)	(33.121.397)	(21.011.356)	(26.838.929)
Other, net		<u>77.476.392</u>	<u>31.341.432</u>	<u>76.811.892</u>	<u>5.724.345</u>
OPERATING INCOME (LOSS)		945.113.650	1.013.875.798	493.373.911	456.853.859
Finance income	27	284.446.546	162.508.706	124.396.180	80.583.438
Interest expense	28	(494.541.905)	(256.313.223)	(243.178.473)	(133.376.024)
Net exchange difference	29	<u>(5.288.268)</u>	<u>1.952.913</u>	<u>(2.582.151)</u>	<u>4.057.008</u>
Net total financial cost		<u>(215.383.627)</u>	<u>(91.851.604)</u>	<u>(121.364.444)</u>	<u>(48.735.578)</u>
INCOME BEFORE INCOME TAX		729.730.023	922.024.194	372.009.467	408.118.281
Income taxes	14	<u>(168.299.707)</u>	<u>(230.034.111)</u>	<u>(76.666.612)</u>	<u>(99.642.178)</u>
NET INCOME	\$	<u><u>561.430.316</u></u>	<u><u>691.990.083</u></u>	<u><u>295.342.855</u></u>	<u><u>308.476.103</u></u>
INCOME ATTRIBUTABLE TO:					
Company shareholders	\$	502.763.990	659.148.375	256.941.679	293.915.678
Non-controlling interests	22	<u>58.666.326</u>	<u>32.841.708</u>	<u>38.401.176</u>	<u>14.560.425</u>
	\$	<u><u>561.430.316</u></u>	<u><u>691.990.083</u></u>	<u><u>295.342.855</u></u>	<u><u>308.476.103</u></u>
NET INCOME PER SHARE	\$	<u><u>443,02</u></u>	<u><u>580,83</u></u>	<u><u>226,41</u></u>	<u><u>258,99</u></u>

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

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Promigas S.A. E.S.P. and Subsidiaries
CONDENSED CONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME
(In thousands of Colombian pesos)

	Note	For six-month periods ended:		For three-month periods ended:	
		June 2023	June 2022	June 2023	June 2022
NET INCOME		\$ 561.430.316	691.990.083	295.342.855	308.476.103
OTHER COMPREHENSIVE INCOME					
<i>Other comprehensive income not to be reclassified to profit or loss</i>					
Fair value of equity instruments		(347.769)	5.981.760	-	-
Valuation of debt securities and certificates held for collection and sale		(88.668)	-	(262.941)	-
Deferred tax	14	89.340	(598.117)	88.984	5.945
		<u>(347.097)</u>	<u>5.383.643</u>	<u>(173.957)</u>	<u>5.945</u>
<i>Other comprehensive income to be reclassified to profit or loss</i>					
Currency translation adjustment		(215.556.354)	51.607.796	(159.046.032)	119.641.234
Hedging transactions		120.124.352	(23.305.552)	92.746.229	(68.696.895)
Deferred tax	14	(36.098.246)	7.532.244	(28.112.875)	20.919.288
		<u>(131.530.248)</u>	<u>35.834.488</u>	<u>(94.412.678)</u>	<u>71.863.627</u>
OTHER COMPREHENSIVE INCOME IN ASSOCIATES					
<i>Other comprehensive income to be reclassified to profit or loss</i>					
Currency translation adjustment		(86.149.730)	16.179.296	(62.423.915)	48.401.881
Hedging transactions		(6.483.872)	7.647.398	(17.061.397)	6.683.800
TOTAL COMPREHENSIVE INCOME, NET OF TAXES	9	<u>(92.633.602)</u>	<u>23.826.694</u>	<u>(79.485.312)</u>	<u>55.085.681</u>
		<u>(224.510.947)</u>	<u>65.044.825</u>	<u>(174.071.947)</u>	<u>126.955.253</u>
TOTAL INCOME AND OTHER COMPREHENSIVE INCOME		\$ <u>336.919.369</u>	<u>757.034.908</u>	<u>121.270.908</u>	<u>435.431.356</u>
INCOME (LOSS) AND OTHER COMPREHENSIVE INCOME (LOSS)					
Company shareholders		\$ 301.568.161	718.577.094	99.781.227	407.990.314
Non-controlling interests		35.351.208	38.457.813	21.489.682	27.441.040
		<u>\$ 336.919.369</u>	<u>757.034.907</u>	<u>121.270.909</u>	<u>435.431.354</u>

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Promigas S.A. E.S.P. and Subsidiaries
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(In thousands of Colombian pesos)

	Notes	Retained earnings							Other equity transactions	Other comprehensive income	Total shareholders' equity	Non-controlling interests	Total equity
		Subscribed and paid-in capital	Share issue premium	Reserves	Income (loss) from prior years	Net income	First-time adoption effect	Total					
For the periods ended :													
Balance as of December 31, 2021		\$ 113.491.861	322.822.817	1.104.531.324	592.316.351	1.099.132.603	1.505.786.626	3.197.235.580	(11.554.865)	258.553.530	4.985.080.247	280.156.256	5.265.236.503
Acquisition of interest from non-controlling interests		-	-	-	-	-	-	-	51	-	51	(51)	-
Creation of reserves	21	-	-	121.935.952	(121.935.952)	-	-	(121.935.952)	-	-	-	-	-
Cash dividends declared	21	-	-	-	(585.581.590)	-	-	(585.581.590)	-	-	(585.581.590)	(34.701.129)	(620.282.719)
Cash dividends withholdings		-	-	-	(3.792.948)	-	-	(3.792.948)	-	-	(3.792.948)	(5)	(3.792.953)
Dividend withholdings transferred to shareholders		-	-	-	2.007.209	-	-	2.007.209	-	-	2.007.209	-	2.007.209
Carryforwards	21	-	-	-	1.099.132.603	(1.099.132.603)	-	-	-	-	-	-	-
Net income and other comprehensive income		-	-	-	-	659.148.375	-	659.148.375	-	59.428.720	718.577.095	38.457.813	757.034.908
Balance as of June 30, 2022		<u>113.491.861</u>	<u>322.822.817</u>	<u>1.226.467.276</u>	<u>982.145.673</u>	<u>659.148.375</u>	<u>1.505.786.626</u>	<u>3.147.080.674</u>	<u>(11.554.814)</u>	<u>317.982.250</u>	<u>5.116.290.064</u>	<u>283.912.884</u>	<u>5.400.202.948</u>
Balance as of December 31, 2022		\$ 113.491.861	322.822.817	1.226.467.276	979.566.989	998.289.901	1.505.786.627	3.483.643.517	(11.554.810)	560.937.733	5.695.808.394	329.781.898	6.025.590.292
Acquisition of interest from non-controlling interests		-	-	-	-	-	-	-	267	-	267	(267)	-
Creation of reserves	21	-	-	116.017.023	(116.017.023)	-	-	(116.017.023)	-	-	-	-	-
Cash dividends declared	21	-	-	-	(585.581.590)	-	-	(585.581.590)	-	-	(585.581.590)	(58.892.408)	(644.473.998)
Cash dividends withholdings		-	-	-	(5.052.187)	-	-	(5.052.187)	-	-	(5.052.187)	(10)	(5.052.197)
Dividend withholdings transferred to shareholders		-	-	-	1.100.892	-	-	1.100.892	-	-	1.100.892	-	1.100.892
Carryforwards	21	-	-	-	998.289.902	(998.289.902)	-	-	-	-	-	-	-
Net income and other comprehensive income		-	-	-	-	502.763.991	-	502.763.991	-	(201.195.830)	301.568.161	35.351.208	336.919.369
Balance as of June 30, 2023		<u>\$ 113.491.861</u>	<u>322.822.817</u>	<u>1.342.484.299</u>	<u>1.272.306.983</u>	<u>502.763.990</u>	<u>1.505.786.627</u>	<u>3.280.857.600</u>	<u>(11.554.543)</u>	<u>359.741.903</u>	<u>5.407.843.937</u>	<u>306.240.421</u>	<u>5.714.084.358</u>

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Promigas S.A. E.S.P. y Subordinadas
CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT
(In thousands of Colombian pesos)

For six-month periods ended:	Notes	June 2023	June 2022
Cash flows from operating activities:			
Net income (loss)		\$ 561.430.316	691.990.083
Adjustments to reconcile net income to net cash provided by:			
operating activities:			
Depreciation	10, 13, 24, 25	29.330.536	24.940.719
Amortization of intangible assets	11, 12, 24, 25	153.442.967	134.816.680
Compensation received in kind	11, 23	-	(8.778.409)
Interest earned	15, 16	537.310.529	272.466.815
Accrued yields	27	(380.618.806)	(221.178.756)
Restatement of financial assets	27	(170.527.771)	(142.337.377)
Income from equity method	9	(155.054.160)	(146.132.718)
Impairment of:			
Inventories	7	15.319	2.059
Net accounts receivable	6	42.357.175	33.121.397
Provisions accrued	20	20.580.333	14.177.381
Exchange difference on foreign currency transactions	29	7.737.739	(1.991.971)
Loss (gain) on sale of:			
Property, gas pipelines, networks, plant and equipment	12	(728.244)	(5.231.590)
Loss (gain) on derecognition of:			
Property, gas pipelines, networks, plant and equipment	10, 26	347.904	105.075
Concessions	11, 26	3.055.663	1.487.477
Other intangible assets	12	242.484	-
Rights of use	13, 26	(184.799)	(112.735)
Valuation of:			
Investment properties	3	-	(432.254)
Construction contracts concessions		(63.818.962)	(135.534.234)
Current income taxes	14	168.299.707	230.034.111
Changes in assets and liabilities:			
Accounts receivable		(72.579.545)	(50.569.507)
Inventories		(14.493.056)	(11.481.009)
Equity instruments through profit or loss		99.685.255	(10.844.856)
Hedging transactions		(664.245)	37.235
Other assets		(82.120.635)	(89.423.434)
Accounts payable		(193.532.581)	17.060.948
Employee benefits		(118.692)	1.101.231
Other liabilities		14.079.893	27.186.812
		(249.743.606)	(116.932.580)
Income tax paid	14	(251.807.956)	(149.200.133)
Yields received		349.645.091	215.198.058
Interest paid	15, 16	(509.872.606)	(212.824.340)
Net cash used in (provided by) operating activities		91.438.853	477.652.758
Cash flow from investing activities:			
Loans granted		(4.388.442)	(2.729.348)
Proceeds from loans granted		5.173.394	3.482.926
Acquisition of:			
Properties, gas pipelines, networks, plant and equipment	10	(72.307.818)	(34.940.775)
Concessions	11	(173.996.369)	(265.592.125)
Other intangible assets	12	(19.599.845)	(9.746.917)
Non-current assets held for sale		(454.426)	-
Proceeds from the sale of:			
Property, gas pipelines, networks, plant and equipment.	10,26	1.119.580	5.602.956
Non-current assets held for sale		-	360.000
Investments in companies		-	(20.391)
Excess paid for acquisition of interest to non-controlling interests		267	51
Dividends received from investments in associates	9	222.570.310	192.015.204
Debt securities and certificates held for sale		(10.985.023)	-
Debt securities and certificates held for collection and sale		(89.100.000)	-
Net cash used in investing activities		(141.968.372)	(111.568.419)
Cash flows from financing activities:			
Dividends paid	17	(297.965.514)	(299.889.465)
Acquisition of financial obligations	15	985.277.218	363.248.965
Payments of financial obligations	15	(1.039.802.739)	(144.980.309)
Payment of bonds	16	(380.179.000)	(120.000.000)
Non-controlling interest		(267)	(51)
Net cash used in financing activities		(732.670.302)	(201.620.860)
Net (decrease) increase in cash		(783.199.821)	164.463.479
Translation adjustment effect on cash and cash equivalents		(49.539.246)	4.891.675
Exchange difference effect on cash and cash equivalents		5.419.587	966.159
Cash opening balance		1.729.015.247	427.848.665
Cash closing balance		\$ 901.695.767	598.169.978

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

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Legal Representative (Alternate)**

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PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

1. REPORTING ENTITY

Promigas S.A. E.S.P. (hereinafter Promigas S.A. E.S.P., Promigas, the Company), was incorporated in accordance with Colombian law on December 27, 1974, and its corporate purpose is the purchase, sale, transportation, distribution, exploitation and exploration of natural gas, oil and hydrocarbons in general and the gas and oil activity in all its forms. It can also sell or provide goods or services to third parties, either financial or non-financial, and finance the acquisition of goods or services from third parties with its own resources. In accordance with the control assessment established in IFRS 10 Consolidated Financial Statements, Promigas' controlling shareholder is Corporación Financiera Colombiana S.A., whose parent company is Grupo Aval Acciones y Valores S.A., both are public companies incorporated in Colombia. However, under Act 222 of 1995, Promigas S.A. E.S.P. does not meet the conditions to qualify as a subsidiary. Its corporate seat is in Barranquilla, its address is Calle 66 No. 67 - 123 and its term of duration expires on December 27, 2074.

The Company is supervised by the Superintendence of Residential Utilities and in order to keep in force the National Register of Securities and Brokers (RNVI, for its Spanish acronym) it is subject to the concurrent supervision of the Colombian Financial Superintendence, in accordance with the provisions of Articles 5.2.4.1.2 and 5.2.4.1.3 of single Decree 2555/2010 of the Colombian Financial Superintendence and Regulation Letter 007/2015, Title Three. The Company is also required to submit separate financial statements and consolidated financial statements, which shall include its shareholding interest in subsidiaries and investments in associates.

These financial statements include Promigas and its subsidiaries, which are detailed below:

Company	June 2023			December 2022		
	Direct	Indirect	Total	Direct	Indirect	Total
Surtidora de Gas del Caribe S.A. E.S.P.	99.99%	0.00%	99.99%	99.99%	0.00%	99.99%
Transoccidente S.A. E.S.P.	79.00%	0.00%	79.00%	79.00%	0.00%	79.00%
Promioriente S.A. E.S.P.	73.27%	0.00%	73.27%	73.27%	0.00%	73.27%
Transmetano E.S.P. S.A.	99.67%	0.00%	99.67%	99.67%	0.00%	99.67%
Gases de Occidente S.A. E.S.P.	94.43%	0.00%	94.43%	94.43%	0.00%	94.43%
Compañía Energética de Occidente S.A.S. E.S.P.	49.00%	48.16%	97.16%	49.00%	48.16%	97.16%
Orion Contac Center S.A.S.	0.00%	96.65%	96.65%	0.00%	96.65%	96.65%
Promisol S.A.S.	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Gases del Pacífico S.A.C.	96.35%	3.65%	100.00%	95.49%	4.51%	100.00%
Gases del Norte del Perú S.A.C.	99.09%	0.91%	100.00%	99.09%	0.91%	100.00%
Promigas Perú S.A.	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Promigas Panamá Corporation	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Zonagen S.A.S.	0.00%	99.95%	99.95%	0.00%	99.95%	99.95%
Sociedad Portuaria El Cayao S.A. E.S.P.	51.00%	0.00%	51.00%	51.00%	0.00%	51.00%
Enlace Servicios Empresariales Globales S.A.S.	100.00%	0.00%	100.00%	100.00%	0.00%	100.00%
Promigas Brasil Ltda. (1)	100.00%	0.00%	100.00%	0.00%	0.00%	0.00%

- (1) The company was acquired on March 13, 2023 under the laws of the Republic of Brazil. It is a limited liability company, headquartered in the city and state of Rio de Janeiro, whose corporate purpose is the holding of shares, partnership interests or any other type of interest in other companies, in Brazil or abroad.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

Regulatory Framework Promigas and subsidiaries

Promigas S.A. E.S.P., Surtigas S.A. E.S.P., Gases de Occidente S.A. E.S.P., Promioriente S.A. E.S.P., Transmetano E.S.P. S.A. and Transoccidente S.A. E.S.P. are primarily governed by Act 142 of 1994, whereby the Public Utilities Regime is established, CREG Resolution 071 of 1999, whereby the Single Regulation for Natural Gas Transportation (RUT, for its Spanish acronym) in Colombia is established, Act 689 of 2001, whereby Act 142 of 1994 is partially amended, the industry's regulations, the concession agreements in force, its bylaws and other provisions contained in the Code of Commerce. The rates these Companies charge its customers for natural gas transportation and distribution services are regulated by the National Government through the Energy and Gas Regulatory Commission (CREG, for its Spanish acronym).

Compañía Energética de Occidente S.A.S. E.S.P. is subject to the Laws of the Republic of Colombia, especially to Acts 142 of 1994, Regime of Residential Public Utilities, and 143 of 1994, Regime for the Generation, Interconnection, Transmission, Distribution and Sale of Electricity in the National Territory, which grant authorizations and dictate other provisions in energy matters, and to all others that regulate the electricity sector (CREG Regulation). Regarding tariffs for energy sales to regulated users, the Company must adhere to the tariff formula established by the Energy and Gas Regulatory Commission. Article 42 of Act 143 of 1994 provides: "electricity transactions between generating companies, between distributors, between the former and the latter and between all of them and the companies engaged in the sale of electricity and deregulated users are free and will be compensated through the prices agreed upon by the parties."

The tariffs for the residential public service of electric energy are established through CREG Resolution 119 of 2007.

The percentages of subsidies and contributions contained in the final tariffs do not depend on the CREG; they are set by law. The CREG designs the tariff structure under the terms of the legal mandate.

Promisol S.A.S. is inspected and supervised by the Superintendence of Corporations, which, based on its surveillance responsibilities, is authorized to request, confirm and analyze information on the legal, accounting, economic and administrative situation of the business companies, branches of foreign companies and supervised sole proprietorships; activities and terms granted by law, in accordance with the provisions of Act 222 of 1995, in numerals 2 and 3 of Article 7 of Decree 1023 of May 18, 2012, Decree 1074 of May 26, 2015, Act 1314 of 2009 and Decree 1736 of 2020, partially amended by Decree 1380 of 2021.

Sociedad Portuaria el Cayao S.A. E.S.P. (hereinafter "SPEC LNG") is mainly governed by Act 142 of 1994, which provides the Regime of Residential Public Utilities, Decree 2100 of 2011, which provides mechanisms to promote the assurance of the national supply of natural gas, Resolution 062 of 2013 of the Energy and Gas Regulatory Commission (hereinafter "CREG"), which provides a regulated income for the use of Imported Natural Gas (hereinafter "GNI"), in security generations, subject to surveillance by the Superintendence of Transportation regarding the rendering of the public maritime transportation service and the quality of infrastructure, the concession contract in force with the National Infrastructure Agency for the construction, operation and maintenance of a port terminal to carry out the port activity of regasification and the import, export and cabotage of liquefied natural gas, the regulation of the sector, the Regasification Service Provision contracts in force with its customers, its bylaws and other provisions contained in the Code of Commerce.

Port tariffs charged by SPEC LNG are established and registered by the national government through the Superintendence of Transportation in accordance with the provisions of Act 1 of 1991 and Resolution 723 of 1993, as amended.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

Gases del Pacífico S.A.C., Gases del Norte del Perú S.A.C. and Promigas Perú S.A. are governed by the laws of the Republic of Peru, among others, by Article No. 76 of the Organic Hydrocarbons Act (Act No. 26221) enacted in August 1993, which provides that the transportation, distribution and sale of hydrocarbon products shall be governed by the regulations approved by the Ministry of Energy and Mines. The Sole Ordered Text of the Regulations for the distribution of natural gas through pipelines was approved by Supreme Decree No. 042-99-EM. The Companies' operations in the country are regulated by OSINERGMIN - Supervisory Agency of Investment in Energy and Mining, in accordance with Act No. 26734 and by OEFA - Environmental Evaluation and Oversight Agency, in accordance with Act No. 29325.

Change in rate regulation

In 2021 the government issued CREG Resolution 175 of October 8, 2021, effective September 2022, which establishes the general criteria for the remuneration of the natural gas transportation service and the general scheme of charges of the National Transportation System. The general aspects of this resolution include:

1. Presentation of rate files in February 2022.
2. 4. Methodology of applications
 - (a) First Application: Change of remuneration of investments from US dollars to Colombian pesos and update of the discount rate.
 - (b) Second Application: Update of the rate variables investments, AOM, demand based on the rate applications filed in February 2022.
3. Changes in the configuration of the sections may be requested: Aggregation or sectioning.
4. Rate revisions every two years to include new investments.
5. Remuneration of IPAT projects (Investments in Priority projects of the Supply plan in a Transportation system) and of the sections where these projects exist.

2. REGULATORY TECHNICAL FRAMEWORK, BASIS OF PREPARATION OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS, AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Technical regulatory framework

The condensed consolidated interim financial statements have been prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia for Group 1 entities (NCIF Group 1), established in Act 1314 of 2009, regulated by the Sole Regulatory Decree 2420 of 2015, as amended by Decrees 2496 of 2015, 2131 of 2016, 2170 of 2017, 2483 of 2018, 2270 of 2019, 1432 of 2020 and 938 of 2021 and 1611 of 2022. The NCIF applicable in 2023 are based on the International Financial Reporting Standards (IFRS) together with their interpretations, issued and officially translated into Spanish by the International Accounting Standards Board (IASB).

For legal purposes in Colombia, the main financial statements are the separate financial statements.

2.2 Basis of Preparation

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and must be read together with the annual consolidated financial

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

statements as of December 31, 2022, which include and disclose the policies, calculation methods, judgments and accounting estimates used in the preparation of the condensed consolidated interim financial statements of the period ended June 30, 2023.

The condensed consolidated interim financial statements for the period ended June 30, 2023, do not include all the information required for a complete set of financial statements under NCIF, however, selected notes have been included to provide an explanation of significant events and transactions to understand the changes in the financial position and development of the Company since the last financial statement.

2.3 Functional and presentation currency

The functional and presentation currency of Promigas is the Colombian peso.

The representative exchange rates to convert transactions from U.S. dollars to Colombian pesos calculated and certified by the Financial Superintendency of Colombia are as follows:

	June 2023	December 2022
Period-end	\$ <u>4,177.58</u>	<u>4,810.20</u>
Monthly averages:		
June 2023	June 2022	
January	\$ 4,712.18	January \$ 4,000.72
February	4,802.75	February 3,938.36
March	4,760.96	March 3,805.52
April	4,526.03	April 3,796.39
May	4,539.54	May 4,027.60
June	4,213.53	June 3,922.50

The functional currency of the subsidiary companies is detailed below:

Subsidiaries:	Functional currency
Surtidora de Gases del Caribe S.A. E.S.P. (Surtigas)	Colombian Peso
Transoccidente S.A. E.S.P.	Colombian Peso
Gases de Occidente S.A. E.S.P.	Colombian Peso
Transportadora de Metano E.S.P. S.A. (Transmetano)	Colombian Peso
Compañía Energética de Occidente S.A.S. E.S.P.	Colombian Peso
Promioriente S.A. E.S.P.	Colombian Peso
Sociedad Portuaria El Cayao S.A. E.S.P.	U.S. dollar
Gases del Pacífico S.A.C.	U.S. dollar
Gases del Norte del Perú S.A.C.	U.S. dollar
Orión Contac Center S.A.S.	Colombian Peso
Promisol S.A.S.	Colombian Peso

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

Subsidiaries:	Functional currency
Zonagen S.A.S.	Colombian Peso
Enlace Servicios Empresariales Globales S.A.S.	Colombian Peso
Promigas Perú S.A.	U.S. dollar
Promigas Panamá Corporation	U.S. dollar
Promigas Brasil	Brazilian real
Associates:	
Gases del Caribe S.A. E.S.P. (Gas Caribe)	Colombian Peso
E2 Energía Eficiente S.A. E.S.P.	Colombian Peso
Gas Natural de Lima y Callao S.A.C.	U.S. dollar

3. FAIR VALUE MEASUREMENTS ON A RECURRING BASIS

Fair value measurements on a recurring basis are those required or permitted by NCIF in the consolidated statement of financial position at the end of each accounting period.

The following table analyzes, within the fair value hierarchy, the assets and liabilities (by class) of Promigas and its subsidiaries measured at fair value on a recurring basis as of the end of each reporting period:

	June 2023		December, 2022	
	Level 2	Level 3	Level 2	Level 3
Assets				
Hedging operations receivable	\$ 4,042,959	-	3,118,508	-
Debt instruments through profit or loss (1)	1	-	8,552,846	-
Certificates and marketable fixed-income securities (1)	155,186,892	-	60,967,383	-
Equity instruments through profit or loss (1)	169,142,147	-	268,721,736	-
Financial instruments at fair value through profit or loss (1)	300,000	-	300,000	-
Equity instruments through OCI (1)	23,741,569	-	24,089,337	-
Financial assets concession contracts in Colombia (1)	-	3,677,758,979	-	3,507,231,208
Investment properties	9,315,332	-	9,315,331	-
	<u>\$ 361,728,900</u>	<u>3,677,758,979</u>	<u>375,065,141</u>	<u>3,507,231,208</u>
Liabilities				
Creditors for hedging liability position (2)	\$ 1,948,103	-	700,647	-
(1) See note 5.				
(2) See note 17.				

The following table presents the movement of assets classified in Level 3, evidencing that there are no transfers between levels:

	Financial assets under concession
Balance as of December 31, 2022	\$ 3,507,231,208
Fair value adjustments through profit or loss (Note 27)	<u>170,527,771</u>
Balance as of June 30, 2023	<u>\$ 3,677,758,979</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

4. CASH

Cash consists of the following:

	June 2023	December 2022
In local currency		
Cash	\$ 188,733	198,266
Banks (a) (1)	<u>669,540,796</u>	<u>1,536,883,746</u>
	<u>669,729,529</u>	<u>1,537,082,012</u>
In foreign currency		
Cash	134,875	462,088
Banks (a)	<u>231,831,363</u>	<u>191,471,147</u>
	<u>231,966,238</u>	<u>191,933,235</u>
Total	\$ <u>901,695,767</u>	<u>1,729,015,247</u>

(a) The credit quality determined by independent risk rating agents of the main financial institutions in which the Company and its subsidiaries maintain cash funds is detailed below:

Credit rating	June 2023	December 2022
AAA	\$ 790,972,329	1,599,699,117
AA+	84,255,480	70,234,285
AA	74,241	-
A+	2,369,127	12,187,979
BBB+	<u>23,700,982</u>	<u>46,233,512</u>
	\$ <u>901,372,159</u>	<u>1,728,354,893</u>

(1) Below is the movement of the main bank transactions in local currency:

	June 2023
Opening balance	\$ 1,536,883,746
Transfers to investment funds	(3,703,879,590)
Transfers received from investment funds	3,198,155,975
Loans received	267,231,000
Payments of financial obligations	(21,557,417)
Certificates of deposit	(160,196,305)
Collections	2,778,734,065
Payments to third parties	(3,331,184,361)
Other transactions	105,353,683
Closing balance	\$ <u>669,540,796</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

There are no restrictions on the use of cash by Promigas and its subsidiaries.

5. FINANCIAL ASSETS AT FAIR VALUE

The balance of financial assets at fair value is as follows:

	June 2023	December 2022
Current portion		
Debt instruments	\$ 1	8,552,846
Certificates and fixed income securities held for collection and sale (1)	155,186,892	60,967,383
Equity instruments through profit or loss (2)	169,142,147	268,721,736
Valuation of hedging derivatives	4,042,959	1,319,604
Financial assets for construction of concessions	7,899,545	4,824,226
	<u>336,271,544</u>	<u>344,385,795</u>
Non-current portion		
Equity instruments through profit or loss	\$ 300,000	300,000
Equity instruments through OCI	23,741,569	24,089,337
Financial asset under call option Colombian State (3)	3,677,758,979	3,507,231,208
Valuation of hedging derivatives	-	1,798,903
	<u>3,701,800,548</u>	<u>3,533,419,448</u>

(1) The increase is due to investments made by the company in debt instruments to be held and traded.

(2) Below are the main transactions that affected the balance of equity instruments through profit or loss:

	June 2023
Opening balance	268,721,736
Transfers received from bank accounts	3,838,832,596
Transfers to bank accounts	(3,172,105,813)
Payments to third parties	(818,339,617)
Ministry of Mines and Energy FOES subsidy	94,357,594
Others	(42,324,349)
Closing balance	<u>169,142,147</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

(3) Below is a breakdown of the value of the financial assets for each company:

	June 2023	December 2022
Promigas S.A. E.S.P.	\$ 2,892,843,431	2,767,870,451
Transmetano E.S.P. S.A.	201,599,605	190,421,597
Surtigas S.A. E.S.P.	392,446,899	373,891,196
Promioriente S.A. E.S.P.	65,309,959	59,226,086
Gases de Occidente S.A. E.S.P.	125,559,085	115,821,878
	<u>\$ 3,677,758,979</u>	<u>3,507,231,208</u>

6. FINANCIAL ASSETS AT AMORTIZED COST

The balance of financial assets at amortized cost is as follows:

	June 2023	December 2022
Current portion		
Debt securities	\$ 26,033	26,625
Accounts receivable (1)	1,419,647,249	1,371,545,098
Other accounts receivable (2)	53,491,318	47,521,672
	<u>\$ 1,473,164,600</u>	<u>1,419,093,395</u>
Non-current portion		
Debt securities	\$ 172,553	172,553
Accounts receivable (1)	1,755,695,073	1,951,842,749
Other accounts receivable (2)	10,072,202	10,008,273
	<u>\$ 1,765,939,828</u>	<u>1,962,023,575</u>

(1) Accounts receivable are comprised as follows:

	June 2023			December 2022		
	Third parties	Related Parties	Total	Third parties	Related Parties	Total
Current portion						
Gas transportation	\$ 115,641,239	6,556,095	122,197,334	100,105,292	6,741,870	106,847,162
Gas distribution	531,445,930	9,743,718	541,189,648	555,253,466	2,698,062	557,951,528
Energy distribution and trade	179,287,792	809	179,288,601	189,134,619	775	189,135,394
Non-bank financing (FNB-Brilla)	378,147,080	1,885,802	380,032,882	332,108,084	107,255	332,215,339
Finance lease (a)	212,907,541	-	212,907,541	214,192,632	-	214,192,632
Other services (b)	117,111,740	-	117,111,740	98,250,429	6,048	98,256,477
	<u>1,534,541,322</u>	<u>18,186,424</u>	<u>1,552,727,746</u>	<u>1,489,044,522</u>	<u>9,554,010</u>	<u>1,498,598,532</u>
Impairment accounts receivable	(133,080,497)	-	(133,080,497)	(127,053,434)	-	(127,053,434)
	<u>\$ 1,401,460,825</u>	<u>18,186,424</u>	<u>1,419,647,249</u>	<u>1,361,991,088</u>	<u>9,554,010</u>	<u>1,371,545,098</u>
Non-current portion						
Gas distribution	261,161,185	-	261,161,185	261,901,622	2,234,358	264,135,980
Energy distribution and trade	18,073,790	-	18,073,790	20,088,994	-	20,088,994
Other services (b)	121,817,324	-	121,817,324	122,816,253	-	122,816,253
Non-bank financing	503,695,399	-	503,695,399	425,109,169	-	425,109,169

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

	June 2023			December 2022		
	Third parties	Related Parties	Total	Third parties	Related Parties	Total
Finance lease (a)	943,068,084	502,116	943,570,199	1,208,618,792	498,683	1,209,117,475
	1,847,815,782	502,116	1,848,317,897	2,038,534,830	2,733,041	2,041,267,871
Impairment accounts receivable	(92,622,824)	-	(92,622,824)	(89,425,122)	-	(89,425,122)
	\$ 1,755,192,958	502,116	1,755,695,073	1,949,109,708	2,733,041	1,951,842,749
Non-impaired receivables	3,382,357,103	18,688,540	3,401,045,643	3,527,579,352	12,287,051	3,539,866,403
Total, impairment	(225,703,321)	-	(225,703,321)	(216,478,556)	-	(216,478,556)
Net balance	\$ 3,156,653,782	18,688,540	3,175,342,322	3,311,100,796	12,287,051	3,323,387,847

(a) Corresponds mainly to the finance lease agreements of Sociedad Portuaria el Cayao S.A. E.S.P. and Promisol S.A.S. respectively; which, in the case of Sociedad Portuaria el Cayao, is related to the agreement entered into with Grupo Térmico for the exclusive purpose of LNG regasification when required and under the specifications of the systems necessary to deliver natural gas.

Meanwhile, in the Company Promisol corresponds to the account receivable for the finance lease agreement with the third party Hocol S.A. in which, at the end of such lease, the assets related to such agreement will be transferred to such third party. It is determined that the transaction carried out by Promisol S.A.S. with Hocol S.A., essentially contains an implicit lease.

(b) The balance recognized as of June 30, 2023, and December 31, 2022, corresponds mainly to accounts receivable from commercial, industrial and residential gas users for internal connections, maintenance and periodic revisions necessary to guarantee the provision of service to the customer by the gas trading and distribution companies subordinated to Promigas S.A. E.S.P., as well as for regasification services charged by Sociedad Portuaria el Cayao S.A. E.S.P.

As of June 30, 2023 and December 31, 2022, accounts receivable for services rendered and unbilled amount to \$361,511,525 and \$1,154,670,251, respectively.

As of June 30, 2023 and December 31, 2022, there is no lien or restriction on the accounts receivable balance.

(2) Other accounts receivable consist of the following:

	June 2023	December 2022
Current portion		
Loans granted	\$ 12,180,966	14,117,130
Dividends receivable	1,463,780	-
Other receivables	49,067,237	43,268,100
	62,711,983	57,385,230
Impairment of loans granted	(9,220,665)	(9,863,558)
	\$ 53,491,318	47,521,672
Non-current portion		
Loans granted	\$ 9,008,625	9,122,824
Other accounts receivable	2,502,134	1,994,280
	11,510,759	11,117,104
Impairment of loans granted	(1,438,557)	(1,108,831)
	\$ 10,072,202	10,008,273

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

The following is the consolidated movement of impairment of accounts receivable and other receivables:

	June 2023
Opening balance	\$ (227,450,945)
Impairment charged to expense	(59,754,172)
Write-off	29,221,970
Reinstatement of impairment with credit to profit or loss	17,396,997
Translation adjustments	4,223,607
Closing balance	\$ <u><u>(236,362,543)</u></u>

Guarantees provided by debtors

Bank guarantees, blank promissory notes with letters of instruction, and contracts/purchase orders/merchant offers are available to secure the debts of domestic customers. Some transportation contracts have insurance policies to be executed in case of default.

For Brilla portfolio loans, blank promissory notes with letters of instruction are created and for debts to employees, promissory notes are signed and social benefits are pledged in the event of termination.

7. INVENTORIES

The composition of inventory balances is as follows:

	June 2023	December 2022
Goods in stock and materials for services rendered (1)	156,624,793	151,846,640
Inventories in transit	12,088,877	6,812,321
Inventories held by third parties (2)	<u>12,439,724</u>	<u>18,072,595</u>
	181,153,394	176,731,556
Impairment of inventories (3)	<u>(5,879,368)</u>	<u>(5,937,789)</u>
	\$ <u><u>175,274,026</u></u>	<u><u>170,793,767</u></u>

(1) The balance is mainly composed of regulators, polyethylene pipes, as well as materials and implements used for the construction of external and internal natural gas distribution networks, manufactured gas materials and equipment, advances for the purchase of gas, spare parts for solar turbo compressors to provide energy sales services under non-conventional sources (solar energy), as well as filtering elements and spare parts for the maintenance of gas pipelines. On the other hand, this item includes meters acquired for the provision of energy distribution and commercialization services in Compañía Energética de Occidente.

(2) Material delivered to contractors for the rendering of services related to the trading and distribution of energy. These services include construction of electrical networks, engineering studies, execution of electrical designs, public and Christmas lighting, and maintenance to private customers. The following items are included in the inventory:

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

Bolts, light fixtures, meters, batteries, seals, laminates, connectors, among others, required for the operation.

(3) The following is the inventory impairment movement:

	June 2023
Opening balance	\$ (5,937,789)
Impairment charged to expense	(15,319)
Translation adjustment	55,043
Cost of assets written off	4,358
Impairment reinstatement	14,339
Closing balance	<u>\$ (5,879,368)</u>

There are currently no liens or guarantees on the inventory of Promigas and its subsidiaries.

8. OTHER ASSETS

The following is a breakdown of other assets:

	June 2023	December 2022
Current portion		
Prepaid expenses	\$ 136,861,451	105,901,380
Advances or credit balances for other taxes	45,434,922	29,275,686
Security deposits	84,224,191	74,395,014
	<u>\$ 266,520,564</u>	<u>209,572,080</u>
Non-current portion		
Deposits	\$ 219,828	60,710
Prepaid expenses	102,052,170	119,118,923
Advances or credit balances for other taxes	217,015,150	252,334,510
Reimbursable studies and projects	1,655,439	-
	<u>\$ 320,942,587</u>	<u>371,514,143</u>

9. INVESTMENTS IN ASSOCIATES

Identification and economic activity of the associates

Gas Natural de Lima y Callao S.A.C. – Its corporate purpose is the distribution of natural gas, including the sale of equipment, installation, maintenance and performance of activities related to hydrocarbons and/or distribution. Its principal place of business is in Lima, Peru.

Gases del Caribe S.A. E.S.P. - It was incorporated under Colombian law on November 25, 1966, and its corporate purpose is the purchase, storage, packaging and distribution of gases and hydrocarbon derivatives; the

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

construction and operation of industrial, commercial and residential natural gas pipelines and the purchase and sale of elements, services and devices related to the sale and distribution of fuel gases and related products. The Company is based in the city of Barranquilla, Colombia. Its term of duration is until January 26, 2083.

E2 - Energía Eficiente S.A. E.S.P. – Its corporate purpose is the purchase, sale, production and trading of energy in any of its forms, development or sale of products and/or services for the management of risks related to the energy business and provision of integral advisory services in the acquisition and use of energy. The Company is based in the city of Barranquilla, Colombia. Its term of duration is until August 6, 2104.

Concentra en Inteligencia en Energía S.A.S. – Its corporate purpose is to manage and handle, for commercial purposes, the information of the natural gas industry and/or other substitute energy sectors, including information corresponding to the rendering of residential public gas service and its complementary activities. The Company is based in the city of Bogota D.C., Colombia. The term of duration of the Company is indefinite.

The detail of investments in associates is as follows:

Company	Economic Activity	Seat	Percentage owned	Carrying value	Income equity method	OCI for the period
June 2023						
Gas Natural de Lima y Callao S.A.C.	Gas distribution	Peru	40.00%	\$ 578,876,693	96,989,882	(92,445,204)
Gases del Caribe S.A. E.S.P. (1)	Gas distribution	Colombia	30.99%	321,121,942	57,863,938	(188,398)
E2 - Energía Eficiente S.A. E.S.P.	Gas trading	Colombia	32.41%	2,807,219	337,750	-
Concentra en Inteligencia en Energía S.A.S.	LNG regasification	Colombia	22.24%	275,276	(137,410)	-
				<u>903,081,130</u>	<u>155,054,160</u>	<u>(92,633,602)</u>
December 2022						
Gas Natural de Lima y Callao S.A.C.	Gas distribution	Peru	40.00%	\$ 768,952,782	177,019,659	169,312,872
Gases del Caribe S.A. E.S.P. (1)	Gas distribution	Colombia	30.99%	313,968,270	115,058,546	2,288,495
E2 - Energía Eficiente S.A. E.S.P.	Gas trading	Colombia	32.41%	4,136,133	1,329,575	-
Concentra en Inteligencia en Energía S.A.S.	LNG regasification	Colombia	22.24%	412,687	(184,207)	(1,486)
				<u>1,087,469,872</u>	<u>293,223,573</u>	<u>171,599,881</u>

(1) To calculate and record the equity method, the Company performs standardization of accounting principles in order to align the accounting policies with those of Promigas S.A. E.S.P.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

The following is a breakdown of the equity of investments in associates, which are accounted for by the equity method:

	Capital	Share issue premium	Reserves	Net income	Retained earnings	Results of NCIF Adoption	Unrealized gains or losses (OCI)	Total equity
June 2023								
Gas Natural de Lima y Callao S.A.C.	\$ 474,434,154	-	133,450,621	240,981,777	(140,484,976)	-	770,904,298	1,479,285,875
Gases del Caribe S.A. E.S.P.	1,755,369	1,260,919	24,179,135	196,143,319	488,689,738	336,459,944	(12,391,167)	1,036,097,257
E2 - Energía Eficiente S.A. E.S.P.	909,998	1,439,982	454,999	916,689	19,300,660	(682,535)	-	22,339,793
Concentra en Inteligencia en Energía S.A.S. (1)	1,764,000	-	581,535	(604,548)	(553,425)	-	-	1,187,561
December 2022								
Gas Natural de Lima y Callao S.A.C.	\$ 474,434,154	-	133,450,621	438,802,687	(91,110,976)	-	984,080,227	1,939,656,713
Gases del Caribe S.A. E.S.P.	1,755,369	1,260,919	23,940,726	352,800,515	307,493,163	332,521,817	(11,842,879)	1,007,929,630
E2 - Energía Eficiente S.A. E.S.P.	909,998	1,439,982	454,999	5,298,488	19,002,172	(682,535)	-	26,423,104
Concentra en Inteligencia en Energía S.A.S.	1,764,000	-	581,535	(611,554)	-	-	-	1,733,981

- (1) As of June 30, 2023, an item for (\$ 107,186) corresponding to the net liquidation value of assets and liabilities items in application of Decree 2101 of December 22, 2016, and its Annex 5 in Part 1 of Book 1 of Decree 2420 of 2015, was recognized in the results by the equity method in the company Concentra.

Below is a breakdown of the movements in investments in associates:

	June 2023
Opening balance	\$ 1,087,469,872
Dividends declared by companies	(246,809,300)
Equity method through profit or loss	155,054,160
Other comprehensive income for the period in associates	(92,633,602)
Closing balance	<u>\$ 903,081,130</u>

Dividends declared and received by associates as of June 30, 2023 are detailed below:

	June 2023	
<u>Company</u>	Dividends declared	Dividends actually received
Gases del Caribe	50,521,869	(45,469,682)
Gas Natural de Lima y Callao	194,620,767	(175,790,517)
E2 - Energía Eficiente S,A, E,S,P,	1,666,664	(770,832)
	<u>246,809,300</u>	<u>(222,031,031)</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

10. PROPERTY, PIPELINES, NETWORKS, PLANT AND EQUIPMENT

The following is a breakdown by type of property, pipelines, networks, plant and equipment:

	June 2023				December 2022			
	Cost	Accumulated depreciation	Accumulated impairment	Total	Cost	Accumulated depreciation	Accumulated impairment	Total
Land	\$ 82,348,641	-	(1,451,423)	80,897,218	83,142,068	-	(1,451,423)	81,690,645
Construction in progress	80,486,711	-	-	80,486,711	79,624,453	-	-	79,624,453
Machinery, plant and equipment in assembly	63,933,344	-	-	63,933,344	21,543,588	-	-	21,543,588
Property, plant and equipment in transit	1,106,345	-	-	1,106,345	-	-	-	-
Construction and buildings	107,825,399	(23,267,205)	-	84,558,194	108,602,007	(23,667,766)	-	84,934,241
Gas pipelines and plants	565,749,421	(69,739,337)	-	496,010,084	559,934,357	(65,163,310)	-	494,771,047
Networks	476,701,622	(63,042,473)	-	413,659,149	473,366,222	(59,158,785)	-	414,207,437
Machinery and equipment	257,518,140	(116,997,604)	(1,964)	140,518,572	267,997,035	(115,451,331)	(1,964)	152,543,740
Furniture and fixtures	18,787,627	(10,976,999)	-	7,810,628	18,298,292	(10,462,711)	-	7,835,581
Computer and communication equipment	52,359,067	(36,338,419)	-	16,020,648	52,931,553	(34,660,115)	-	18,271,438
Fleet and transportation equipment	10,932,991	(7,836,808)	-	3,096,183	10,762,890	(7,929,724)	-	2,833,166
Property improvements	3,988,097	(2,195,886)	-	1,792,211	1,450,406	(677,322)	-	773,084
	<u>1,721,737,405</u>	<u>(330,394,731)</u>	<u>(1,453,387)</u>	<u>1,389,889,287</u>	<u>1,677,652,871</u>	<u>(317,171,064)</u>	<u>(1,453,387)</u>	<u>1,359,028,420</u>

Property, pipelines, networks, plant and equipment are not subject to liens or guarantees.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

The movement in property, gas pipelines, networks, plant and equipment is detailed below:

	Land	Constructions in progress	Machinery, plant and equipment in assembly	Property, plant and equipment in transit	Buildings and constructions	Pipelines and plants	Networks not under concession	Machinery and Equipment	Furniture and Fixtures	Communication and computer equipment	Transportation equipment and fleet	Leasehold improvements	Total
<u>Cost</u>													
Balance as of December 31, 2022	\$ 83,142,068	79,624,453	21,543,588	-	108,602,007	559,934,357	473,366,222	267,997,035	18,298,292	52,931,553	10,762,890	1,450,406	1,677,652,871
Purchases	-	36,352,005	25,887,234	418,045	-	2,254,643	-	4,038,310	706,479	1,735,445	906,137	9,520	72,307,818
Additions capitalizable interest	-	2,447,531	462,863	-	-	-	-	-	-	-	-	-	2,910,394
Finance lease recognition lessor	-	(41,892)	-	-	-	-	-	-	-	-	-	-	(41,892)
Capitalizations	3,317,427	(16,268,647)	(24,052)	-	3,021,320	3,776,827	3,335,400	2,529,526	251,790	-	60,409	-	-
Capitalized depreciation	-	202	-	-	-	-	-	-	-	-	-	-	202
Withdrawals, sales and write-offs	-	-	(103,968)	-	-	(58,446)	-	(1,178,272)	(47,420)	(299,577)	(426,616)	(77,608)	(2,191,907)
Transfer from finance lease	-	1,440,995	-	-	-	-	-	-	-	-	-	-	1,440,995
Reclassifications	-	(19,269,180)	18,317,259	751,812	(3,058,530)	200,109	-	603,064	(102,346)	(501,241)	-	3,058,530	(523)
Tax credits	-	(1,559,697)	(62,605)	-	-	(358,069)	-	(268,043)	-	-	(26,448)	-	(2,274,862)
Translation adjustments	(4,110,854)	(2,239,059)	(2,086,975)	(63,512)	(739,398)	-	-	(16,203,480)	(319,168)	(1,507,113)	(343,381)	(452,751)	(28,065,691)
Balance as of June 30, 2023	\$ 82,348,641	80,486,711	63,933,344	1,106,345	107,825,399	565,749,421	476,701,622	257,518,140	18,787,627	52,359,067	10,932,991	3,988,097	1,721,737,405
<u>Accumulated depreciation</u>													
Balance as of December 31, 2022	\$ -	-	-	-	(23,667,766)	(65,163,310)	(59,158,785)	(115,451,331)	(10,462,711)	(34,660,115)	(7,929,724)	(677,322)	(317,171,064)
Depreciation charged to expense	-	-	-	-	(1,462,575)	(4,580,870)	(3,883,688)	(8,622,005)	(779,914)	(2,753,778)	(518,478)	(291,859)	(22,893,167)
Depreciation withdrawals, sales and write-offs	-	-	-	-	-	4,843	-	720,647	47,354	268,606	399,100	12,117	1,452,667
Reclassifications	-	-	-	-	1,493,860	-	-	(33,121)	4,480	29,165	-	(1,493,860)	524
Translation adjustments	-	-	-	-	369,276	-	-	6,388,206	213,792	777,703	212,294	255,038	8,216,309
Balance as of June 30, 2023	\$ -	-	-	-	(23,267,205)	(69,739,337)	(63,042,473)	(116,997,604)	(10,976,999)	(36,338,419)	(7,836,808)	(2,195,886)	(330,394,731)
Impairment June 30, 2023	(1,451,423)	-	-	-	-	-	-	(1,964)	-	-	-	-	(1,453,387)
<u>Net balance</u>													
Balance as of December 31, 2022	\$ 81,690,645	79,624,453	21,543,588	0	84,934,241	494,771,047	414,207,437	152,543,740	7,835,581	18,271,438	2,833,166	773,084	1,359,028,420
Balance as of June 30, 2023	\$ 80,897,218	80,486,711	63,933,344	1,106,345	84,558,194	496,010,084	413,659,149	140,518,572	7,810,628	16,020,648	3,096,183	1,792,211	1,389,889,287

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

11. INTANGIBLE ASSETS - CONCESSIONS

The following is a breakdown by type of assets under concession:

	June 2023			December 2022			Total	
	Cost	Accumulated depreciation	Accumulated impairment	Cost	Accumulated depreciation	Accumulated impairment		
Land	\$ 79,110,570	(5,947,205)	-	73,163,365	79,438,419	(5,674,721)	-	73,763,698
Constructions in progress (1)	201,462,558	-	-	201,462,558	326,519,710	-	-	326,519,710
Pipelines and networks	6,080,284,696	(1,204,382,033)	(7,810,677)	4,868,091,986	6,205,654,175	(1,113,624,303)	(7,810,677)	5,084,219,195
Machinery and equipment	608,256,684	(227,283,799)	-	380,972,885	574,448,081	(209,172,996)	-	365,275,085
Buildings	57,884,338	(12,568,185)	-	45,316,153	54,102,625	(11,038,311)	-	43,064,314
Leasehold improvements	441,444	(144,214)	-	297,230	461,727	(125,124)	-	336,603
	<u>7,027,440,290</u>	<u>(1,450,325,436)</u>	<u>(7,810,677)</u>	<u>5,569,304,177</u>	<u>7,240,624,737</u>	<u>(1,339,635,455)</u>	<u>(7,810,677)</u>	<u>5,893,178,605</u>

(1) As of June 30, 2023, includes the balance of concessions under construction of the subsidiaries Gases del Norte del Perú S,A,C, and Gases del Pacífico S,A,C, for \$36,372,167 and \$36,720,000, respectively, for a total of \$73,417,300 (\$135,663,653 and \$57,962,982, respectively, for a total of \$193,626,635 as of December 31, 2022).

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

The following is a breakdown of the movement of the assets under concession:

	Land	Constructions in progress	Pipelines and networks	Machinery and equipment	Buildings	Leasehold improvements	Total
<i>Cost</i>							
Balance as of December 31, 2022	\$ 79,438,419	326,519,710	6,205,654,175	574,448,081	54,102,625	461,727	7,240,624,737
Additions	-	132,515,065	39,905,813	1,574,040	-	1,451	173,996,369
Additions capitalizable interest	-	8,178,742	7,735,905	-	-	-	15,914,647
Valuation of concessions in progress	-	63,404,794	-	-	-	-	63,404,794
Capitalization of assets under construction	10,782,685	(317,530,395)	263,036,479	39,929,518	3,781,713	-	-
Additions capitalized provisions	-	-	-	696,640	-	-	696,640
Capitalized depreciation	-	137,739	-	-	-	-	137,790
Withdrawals	-	(269,614)	(2,808,166)	-	-	-	(3,077,780)
Reclassifications	-	-	(12,996,882)	-	-	-	(12,996,882)
Transfer of commitment to investment plan provisioned	-	1,403,690	(1,684,039)	280,349	-	-	-
Transfer of tax credits	-	(1,912,928)	(1,194,284)	-	-	-	(3,107,212)
Translation adjustments	(11,110,534)	(10,984,245)	(417,364,305)	(8,671,944)	-	(21,734)	(448,152,762)
Balance as of June 30, 2023	\$ 79,110,570	201,462,558	6,080,284,696	608,256,684	57,884,338	441,444	7,027,440,290
<i>Accumulated amortization</i>							
Balance as of December 31, 2022	\$ (5,674,721)	-	(1,113,624,303)	(209,172,996)	(11,038,311)	(125,124)	(1,339,635,455)
Amortization charged to cost	(760,968)	-	(114,690,862)	(18,473,481)	(1,529,874)	(24,314)	(135,479,499)
Cost of assets written off	-	-	22,117	-	-	-	22,117
Amortization capitalized	-	-	(23,480)	-	-	-	(23,480)
Transfers	-	-	43,991	(43,991)	-	-	-
Translation adjustment	488,484	-	23,890,504	406,669	-	5,224	24,790,881
Balance as of June 30, 2023	\$ (5,947,205)	-	(1,204,382,033)	(227,283,799)	(12,568,185)	(144,214)	(1,450,325,436)
Impairment June 30, 2023	-	-	(7,810,677)	-	-	-	(7,810,677)
Net balance:							
Balance as of December 31, 2022	\$ 73,763,698	326,519,710	5,084,219,195	365,275,085	43,064,314	336,603	5,893,178,605
Balance as of June 30, 2023	\$ 73,163,365	201,462,558	4,868,091,986	380,972,885	45,316,153	297,230	5,569,304,177

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

Additional information required for concession contracts in construction stage

The following is a detail of the main movements in revenues and costs incurred in the construction stage of concession contracts in the periods ended June 30, 2023 and 2022.

	June 2023	June 2022
Revenue from domestic concession construction contracts	\$ 50,155,354	74,566,192
Revenues from foreign concession construction contracts	152,173,962	304,544,753
Costs of domestic concession construction contracts	(40,101,405)	(43,044,149)
Costs of foreign concession construction contracts	(88,355,000)	(169,563,143)

As of June 30, 2023 and December 31, 2022, the Company and its subsidiaries had no contingent assets for income receivable arising from any contractual difference with any gas pipeline construction, other than any tariff recognition. There were also no contingent liabilities for fines or penalties imposed by the Government in the development of concession contracts for possible contractual breaches.

12. OTHER INTANGIBLE ASSETS

The following is a breakdown of intangible assets:

	June 2023			December 2022		
	Cost	Accumulated amortization	Total	Cost	Accumulated amortization	Total
Licenses	\$ 200,768,799	(125,332,238)	75,436,561	196,421,006	(117,205,685)	79,215,321
Software	4,614,378	(2,642,205)	1,972,173	4,669,071	(2,657,154)	2,011,917
Easements	7,445,534	(2,660,045)	4,785,489	7,445,534	(2,548,011)	4,897,523
Other intangibles	64,576,040	(4,783,021)	59,793,019	53,695,034	(3,915,223)	49,779,811
	<u>\$ 277,404,751</u>	<u>(135,417,509)</u>	<u>141,987,242</u>	<u>262,230,645</u>	<u>(126,326,073)</u>	<u>135,904,572</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

The following is the movement of intangible assets:

	June 2023
<i><u>Cost</u></i>	
Opening balance	\$ 262,230,645
Purchases	19,599,845
Additions capitalizable interest	2,395,507
Withdrawals	(559,033)
Translation adjustments	(6,262,213)
Closing balance	\$ <u>277,404,751</u>
<i><u>Accumulated amortization</u></i>	
Opening balance	\$ (126,326,073)
Amortization charged to cost	(4,341,330)
Amortization charged to expense	(8,477,964)
Withdrawals	316,549
Translation adjustments	3,411,309
Closing balance	\$ <u>(135,417,509)</u>
Net balance:	
Balance as of December 31, 2022	<u>135,904,572</u>
Balance as of June 30, 2023	<u>141,987,242</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

13. RIGHT-OF-USE ASSETS

The following is a breakdown by type of right-of-use assets:

Rights of use associated with property, plant and equipment.

	June 2023			December 2022		
	Cost	Accumulated depreciation	Total	Cost	Accumulated depreciation	Total
Land	5,675,663	(1,622,187)	4,053,476	6,323,028	(1,811,878)	4,511,150
Buildings	31,817,957	(9,158,523)	22,659,434	26,818,194	(7,831,319)	18,986,875
Machinery and equipment	57,131,364	(54,706,171)	2,425,193	56,830,623	(54,618,743)	2,211,880
Transport equipment	43,668,325	(21,533,483)	22,134,842	37,540,315	(22,297,579)	15,242,736
Communication and computer equipment	1,783,864	(670,179)	1,113,685	1,783,864	(413,150)	1,370,714
	<u>140,077,173</u>	<u>(87,690,543)</u>	<u>52,386,630</u>	<u>129,296,024</u>	<u>(86,972,669)</u>	<u>42,323,355</u>

Rights of use associated with concessions

	June 2023			December 2022		
	Cost	Accumulated depreciation	Total	Cost	Accumulated depreciation	Total
Land	324,020	(48,588)	275,432	299,666	(40,495)	259,171
Buildings	3,841,083	(2,289,857)	1,551,226	6,526,992	(3,041,382)	3,485,610
Machinery and equipment	140,397,330	(34,202,172)	106,195,158	122,115,826	(29,366,596)	92,749,230
	<u>144,562,433</u>	<u>(36,540,617)</u>	<u>108,021,816</u>	<u>128,942,484</u>	<u>(32,448,473)</u>	<u>96,494,011</u>
\$	<u>284,639,606</u>	<u>(124,231,160)</u>	<u>160,408,446</u>	<u>258,238,508</u>	<u>(119,421,142)</u>	<u>138,817,366</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

The following is a breakdown of the movement of right right-of-use assets associated with property, plant and equipment and concessions:

	Land	Buildings	Machinery and equipment	Transportation equipment	Communication and computer equipment	Land associated with the concession	Buildings associated with the concession	Machinery and equipment associated with the concession	Rights of use
<i>Cost</i>									
Balance as of December 31, 2022	\$ 6,323,028	26,818,194	56,830,623	37,540,315	1,783,864	299,666	6,526,992	122,115,826	258,238,508
Additions new lease agreements	125,465	4,574,375	-	13,132,212	-	-	536,720	-	18,368,772
Additions existing lease agreements	46,585	1,994,941	300,741	311,891	-	24,354	433,010	18,281,504	21,393,026
Withdrawals, sales and write-offs	(185,116)	(645,660)	-	(6,063,815)	-	-	(3,284,159)	-	(10,178,750)
Translation adjustments	(634,299)	(923,893)	-	(1,252,278)	-	-	(371,480)	-	(3,181,950)
Balance as of June 30, 2023	\$ 5,675,663	31,817,957	57,131,364	43,668,325	1,783,864	324,020	3,841,083	140,397,330	284,639,606
<i>Accumulated depreciation</i>									
Balance as of December 31, 2022	\$ (1,811,878)	(7,831,319)	(54,618,743)	(22,297,579)	(413,150)	(40,495)	(3,041,382)	(29,366,596)	(119,421,142)
Depreciation charged to income	(151,195)	(1,898,737)	(87,428)	(4,042,983)	(257,029)	(8,093)	(300,521)	(4,835,576)	(11,581,562)
Withdrawals, sales and write-offs	121,770	93,993	-	4,363,380	-	-	866,127	-	5,445,270
Capitalized depreciation	-	-	-	(24,805)	-	-	(89,453)	-	(114,258)
Translation adjustments	219,116	476,709	-	468,504	-	-	275,372	-	1,439,701
Other adjustments	-	831	-	-	-	-	-	-	831
Balance as of June 30, 2023	\$ (1,622,187)	(9,158,523)	(54,706,171)	(21,533,483)	(670,179)	(48,588)	(2,289,857)	(34,202,172)	(124,231,160)
Net balance									
Balance as of December 31, 2022	\$ 4,511,150	18,986,875	2,211,880	15,242,736	1,370,714	259,171	3,485,610	92,749,230	138,817,366
Balance as of June 30, 2023	\$ 4,053,476	22,659,434	2,425,193	22,134,842	1,113,685	275,432	1,551,226	106,195,158	160,408,446

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

14. INCOME TAX

The Company is subject to income tax at a rate at June 30, 2023 and June 30, 2022 of 33%; its subsidiaries are subject to income tax at a rate at June 30, 2023 and June 30, 2022 of 35%, The aforementioned rate is applicable to net income or presumptive income if applicable,

Subordinate companies Gases del Pacífico S,A,C, and Gases del Norte del Perú S,A,C, as of June 30, 2023 and June 30, 2022, are subject to income tax at 29.5%; Zonagen S,A,S, and Sociedad Portuaria El Cayao S,A, E,S,P, as of June 30, 2023 and June 30, 2022 were subject to income tax at 20%.

As of June 30, 2023, and June 30, 2022, the Company and its subsidiaries calculated and recorded the provision for income tax, based on the net taxable income which takes into consideration some adjustments to the commercial profit of the separate financial statements that have been prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia (NCIF), established in Act 1314 of 2009.

The deferred tax is comprised as follows:

	June 2023	December 2022
Net deferred tax assets	\$ 71,860,183	69,276,388
Net deferred tax liabilities	(1,080,238,601)	(1,069,661,511)
Breakdown of deferred tax:		
Balance as of December 31, 2022 (net)	\$	(1,000,385,123)
Charged to profit or loss, net		(15,077,972)
Charged to OCI		(35,535,867)
Translation adjustment		42,620,544
Balance as of June 30, 2023 (net)	\$	<u>(1,008,378,418)</u>

The following is the composition of the income tax expense:

	June 2023	June 2022
Income tax	\$ 153,221,735	\$180,827,543
Net deferred taxes	15,077,972	49,206,567
Total income tax expense	<u>\$ 168,299,707</u>	<u>230,034,110</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

The following is a reconciliation of the effective rate for the periods ended June 30, 2023, and June 30, 2022:

	June 2023	%	June 2022	%
Income before income tax	729,730,023		922,024,193	
Theoretical tax expense calculated according to current tax rate	240,810,907	33.00%	304,267,984	33.00%
Non-deductible expenses	9,022,382	1.24%	6,074,514	0.66%
Tax loss carryforwards that did not generate deferred taxes	-	0.00%	(1,136,287)	(0.12%)
Compensation of tax losses and excess of presumptive income	-	0.00%	184,305	0.02%
Dividends received	395,471	0.05%	412,648	0.04%
Income from equity method	(51,167,873)	(7.01%)	(48,223,797)	(5.23%)
Interest and other non-taxed income	(17,994,837)	(2.47%)	(3,831,511)	(0.42%)
Exempt income	(184,619)	(0.03%)	(167,683)	(0.02%)
Tax deductions	(605,357)	(0.08)	(7,816,721)	(0.85%)
Non-deductible expenses used as a tax deduction	2,482,354	0.34%	6,379,754	0.69%
Tax benefit on acquisition of productive assets and investments in FNCE.	(1,072,796)	(0.15%)	(7,599,823)	(0.82%)
Profits of subsidiaries in countries with different tax rates	(1,912,540)	(0.26%)	4,801,667	0.52%
Difference in rates	703,124	0.10%	(79,040)	(0.01%)
Deferred tax effect of changes in concession tax rates	(3,730,761)	(0.51%)	(92,764)	(0.01%)
Deferred tax effect of changes in tax rates on concessions	(17,543,332)	(2.40%)	(20,174,046)	(2.19%)
Income tax effect of prior period adjustments	4,827,093	0.66%	(6,009,054)	(0.65%)
Other items	4,270,491	0.59%	3,043,965	0.33%
Total tax expense for the period	<u>168,299,707</u>	<u>23.06%</u>	<u>230,034,111</u>	<u>24.95%</u>

15. FINANCIAL OBLIGATIONS

The following is a summary of the financial obligations obtained by Promigas and its subsidiaries for the purpose of financing its operations and investment plan:

	June 2023	December 2022
Current portion		
Loans in foreign currency	\$ 203,228,414	405,016,382
Loans in local currency	410,202,477	189,222,458
Lease agreements	171,452,583	185,248,724
Interest payable	36,512,352	45,741,414
	<u>\$ 821,395,826</u>	<u>825,228,978</u>
Non-current portion		
Loans in foreign currency	\$ 1,007,027,858	815,035,706
Loans in local currency	2,186,373,692	2,535,473,936
Lease agreements	608,969,457	733,179,805
	<u>\$ 3,802,371,007</u>	<u>4,083,689,447</u>
Total financial obligations	<u>\$ 4,623,766,833</u>	<u>4,908,918,425</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

The following is a reconciliation of the changes between liabilities and cash flows arising from financing activities:

	Credits in local currency	Credits in foreign currency	Lease agreements	Interest payable	Financial obligations
Balance as of December 31, 2022	\$ 2,724,696,394	1,220,052,088	918,428,529	45,741,414	4,908,918,425
Additions obligations	311,000,000	674,277,218	39,761,800	-	1,025,039,018
Incremental costs	6,793	(3,533,030)	-	-	(3,526,237)
Payments	(439,560,067)	(512,143,242)	(88,099,430)	(320,232,228)	(1,360,034,967)
Transfers and reclassifications	-	-	(4,948,192)	-	(4,948,192)
Interest through profit or loss	433,049	1,407,068	-	299,023,711	300,863,828
Capitalized interest	-	-	-	14,548,242	14,548,242
Exchange difference	-	22,464,161	(84,558)	-	22,379,603
Translation adjustments	-	(192,267,991)	(84,636,109)	(2,568,787)	(279,472,887)
Balance as of June 30, 2023	\$ <u>2,596,576,169</u>	<u>1,210,256,272</u>	<u>780,422,040</u>	<u>36,512,352</u>	<u>4,623,766,833</u>

16. BONDS OUTSTANDING

The detail of the bonds is presented below:

	June 2023	December 2022
Current portion		
Ordinary bonds	\$ -	380.179.000
Interest on bonds payable	57,939,945	55.746.689
	<u>\$ 57,939,945</u>	<u>435.925.689</u>
Non-current portion		
Ordinary bonds	\$ 4,331,959,556	4.660.921.959
Valuation amortized cost	99,621,207	(22.414.201)
UVR adjustment	(17,167,364)	63.903.790
	<u>\$ 4,414,413,399</u>	<u>4.702.411.548</u>

The following is a reconciliation of the changes between liabilities and cash flows arising from bond financing activities:

	Bonds	Interest bonds payable	Bonds outstanding
Balance as of December 31, 2022	\$ 5,082,590,548	55,746,689	5,138,337,237
Payments (1)	(380,179,000)	(189,640,378)	(569,819,378)
Interest through profit or loss	38,585,745	187,763,961	226,349,706
Capitalized interest	-	5,880,404	5,880,404
Exchange difference	(29,903,072)	(25,345)	(29,928,417)
Non-derivative hedges through OCI	(121,344,746)	-	(121,344,746)
Translation adjustments	(175,336,076)	(1,785,386)	(177,121,462)
Balance as of June 30, 2023	\$ <u>4,414,413,399</u>	<u>57,939,945</u>	<u>4,472,353,344</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

(1) Below is a breakdown of the bond payments made by Promigas and its subsidiaries as of June 30, 2023:

Issuer	Series	Term in years	June 2023	Interest rate	Date of issue	Maturity date	Date of subscription
Promigas S.A. E.S.P.	A10	10	150,179,000	CPI+3.22%	29/01/2013	29/01/2023	30/01/2013
Surtigas S.A. E.S.P.	A10	10	130,000,000	CPI+3.25%	12/02/2013	12/02/2023	12/03/2013
Promioriente S.A. E.S.P.	C5	5	100,000,000	Fixed 7.10%	23/01/2018	23/01/2023	24/01/2018
Value paid			<u>380,179,000</u>				

17. ACCOUNTS PAYABLE

Below is the detail of accounts payable:

	June 2023			December 2022		
	Third parties	Related parties	Total	Third parties	Related parties	Total
Current portion						
Domestic goods and services	381,369,137	7,169,473	388,538,610	521,670,398	7,234,891	528,905,289
Foreign goods and services	\$ 90,046,234	-	90,046,234	87,352,242	-	87,352,242
Payables	36,799,080	24,750	36,823,830	31,080,140	24,084,046	55,164,186
Dividends payable (1)	241,027,999	177,433,271	418,461,270	-	79,774,236	79,774,236
Hedges payable	1,895,828	52,275	1,948,103	681,890	18,757	700,647
Allocated subsidies payable	1,862,685	-	1,862,685	99,925	-	99,925
	<u>\$ 753,000,963</u>	<u>184,679,769</u>	<u>937,680,732</u>	<u>640,884,595</u>	<u>111,111,930</u>	<u>751,996,525</u>
Non-current portion						
Creditors	25,418,178	-	25,418,178	29,743,502	-	29,743,502
	<u>25,418,178</u>	<u>-</u>	<u>25,418,178</u>	<u>29,743,502</u>	<u>-</u>	<u>29,743,502</u>

(1) The movement in dividends payable as of June 30, 2023 is as follows:

	June 2023
Opening balance	\$ 79,774,236
Dividends declared	644,473,998
Cash dividends paid	(297,965,514)
Transfer of withholdings tax on dividends declared to shareholders	(6,629,400)
Dividend withholding taxes transferred to shareholders	(1,192,050)
Closing balance (a)	<u>\$ 418,461,270</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

(a) Dividends payable are as follows:

		June 2023
Corficolombiana S.A.	\$	136,124,326
EEB Gas S.A.S.		59,483,325
CFC Gas Holding S.A.		41,308,945
Amalfi S.A.S.		31,187,675
Consultoría de Inversiones S.A.		20,584,918
Other ⁽¹⁾		129,772,081
	\$	<u><u>418,461,270</u></u>

(1) corresponds to shareholders with an ownership interest of less than 5%.

18. EMPLOYEE BENEFITS

The following is a breakdown of employee benefit balances:

	June 2023	December 2022
Current portion		
Severance and interest on severance	\$ 5,488,286	8,199,050
Vacation leaves	12,287,609	10,070,070
Service bonuses	1,409,841	-
Extra-legal benefits	2,145,154	1,632,343
Other salaries and benefits	3,166,541	5,167,331
	<u>\$ 24,497,431</u>	<u>25,068,794</u>
Non-current portion		
Post-employment benefits - Severance previous law	\$ 89,571	49,381
Post-employment benefits - Pensions	559,874	573,002
Long-term benefits	1,905,956	1,922,381
	<u>\$ 2,555,401</u>	<u>2,544,764</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

19. PROVISIONS

In the ordinary course of business, Promigas and its subsidiaries are subject to various legal regulations inherent to public utilities and environmental protection services. In the opinion of Promigas and its subsidiaries' management no situations have been identified that lead to the discovery of possible breaches to such rules, thus producing a significant impact on the condensed consolidated interim financial statements.

	June 2023	December 2022
Current portion		
Decommissioning and restoration costs	1,891,614	1,891,612
Pipeline inspection	16,398,016	21,544,773
Social management	1,697,578	2,389,743
Environmental compensation	10,866,137	14,552,816
Asset replacement	44,223,356	73,517,060
	<u>75,076,701</u>	<u>113,896,004</u>
Non-current portion		
Administrative	14,192,456	13,602,585
Labor	2,871,514	2,960,183
Civil	852,079	1,783,156
Decommissioning and restoration costs	40,013,153	36,681,556
Pipeline inspection	11,235,675	8,788,088
Environmental compensation	42,710,003	42,496,882
Asset replacement	164,250,798	174,639,473
Implicit obligations credit quotas	348,185	357,686
	<u>276,473,863</u>	<u>281,309,609</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

The following table presents the nature and amount of the provisions:

	Administrative	Labor	Civil	Decommissioning and restoration costs	Pipeline inspection	Social managem ent	Environmental compensation (1)	Asset replacement (2)	Implicit obligatio ns credit quotas	Total, provisions
Balance as of December 31, 2022	\$ 13,602,585	2,960,183	1,783,156	38,573,168	30,332,861	2,389,743	57,049,698	248,156,533	357,686	395,205,613
New provisions charged to expense	1,218,822	-	-	-	-	-	-	-	-	1,218,822
Addition existing provisions charged to expense	956,562	179,144	-	-	-	-	-	-	(9,501)	1,126,205
Addition capitalized provisions	-	-	-	696,640	-	-	-	-	-	696,640
Addition existing provisions charged to cost	-	-	-	-	2,447,587	-	-	17,322,296	-	19,769,883
Readjustment existing provisions charged to income	-	-	-	2,634,959	-	-	2,949,693	5,266,792	-	10,851,444
Use of provisions	(172,118)	(77,106)	(782,047)	-	(5,146,757)	(429,895)	(6,261,908)	(38,103,261)	-	(50,973,092)
Reinstatement of provisions	(1,194,841)	(190,707)	(149,030)	-	-	-	-	-	-	(1,534,578)
Transfer investment plan commitment	-	-	-	-	-	-	-	(12,996,882)	-	(12,996,882)
Translation adjustments	(232,893)	-	-	-	-	(262,270)	(161,343)	(11,171,324)	-	(11,827,830)
Reclassifications	14,339	-	-	-	-	-	-	-	-	14,339
Balance as of June 30, 2023	<u>14,192,456</u>	<u>2,871,514</u>	<u>852,079</u>	<u>41,904,767</u>	<u>27,633,691</u>	<u>1,697,578</u>	<u>53,576,140</u>	<u>208,474,154</u>	<u>348,185</u>	<u>351,550,564</u>
Current portion	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,891,614</u>	<u>16,398,016</u>	<u>1,697,578</u>	<u>10,866,137</u>	<u>44,223,356</u>	<u>-</u>	<u>75,076,701</u>
Non-current portion	<u>14,192,456</u>	<u>2,871,514</u>	<u>852,079</u>	<u>40,013,153</u>	<u>11,235,675</u>	<u>-</u>	<u>42,710,003</u>	<u>164,250,798</u>	<u>348,185</u>	<u>276,473,863</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

- (1) To the extent that environmental costs are necessary for an asset to operate as intended by management, they are recognized as an increase in the value of the asset that gave rise to them.
- (2) Compañía Energética de Occidente S.A.S. E.S.P. undertook to execute, among others, an expansion, replacement and infrastructure improvement plan for the development of trading and distribution services in CEDELCA's trading market, aimed at maintaining and/or rehabilitating the existing networks so that they operate optimally. The Investment Plan has a defined amount that is estimated at current prices through net present value adjustment techniques, using the TES (Public Debt Securities issued by the General Treasury of the Nation) as discount rate. Changes in the provision are recognized as a result of changes in the discount rate and the CPI. The use of the provision corresponds to the projects carried out according to the commitment acquired with CEDELCA.

20. OTHER LIABILITIES

The following is a breakdown of other liabilities:

	June 2023	December 2022
Receivables in favor of third parties	\$ 28,981,628	26,014,456
Withholdings and self-withholdings	32,866,381	28,964,063
Industry and trade tax withholdings payable	2,851,262	3,174,987
Other taxes and contributions payable	24,116,401	27,155,446
Value added tax payable	5,592,268	4,614,076
Deposits received from third parties	46,126,570	63,723,053
Income received in advance (1)	34,626,790	33,988,167
	<u>\$ 175,161,300</u>	<u>187,634,248</u>

(1) The following is the consolidated movement of income received in advance:

	June 2023
Opening balance	\$ 33,988,167
Advances received during the period	51,402,336
Revenue recognition	(50,707,014)
Translation adjustments	(56,699)
Closing balance	<u>\$ 34,626,790</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

21. EQUITY

Subscribed and Paid-in Capital – As of June 30, 2023, and December 31, 2022, the subscribed and paid-in capital was represented by 1,150,000,000 common shares, respectively, with a nominal value of one hundred pesos each. The detail of the assets is presented below:

	June 2023	December 2022
Number of shares authorized, issued and outstanding	1,134,848,043	1,134,848,043
Number of shares paid-in and subscribed	1,134,918,610	1,134,918,610
Number of shares repurchased	70,567	70,567
Subscribed and paid-in capital	\$ 113,491,861	113,491,861

Reserves – The balance of reserves is detailed as follows:

	June 2023	December 2022
Legal reserve	\$ 65,623,121	65,623,121
Reserves pursuant to bylaws	66,097,318	66,097,318
Occasional reserves	380,543	380,543
Reserves for share repurchase	1,000,000	1,000,000
Other reserves	1,209,383,317	1,093,366,294
Total	\$ <u>1,342,484,299</u>	<u>1,226,467,276</u>

Legal Reserve – According to Colombian Law, the Company must transfer at least 10% of profits for the period to a legal reserve until such reserve equals 50% of the subscribed capital. This reserve is not available for allocation, but may be used to offset losses.

Tax Reserve – Pursuant to article 45 of Act 75/1986, the Company created a reserve equal to 70% of the higher value of the depreciation requested as tax deduction. Such reserve may be capitalized or allocated insofar as it is released.

Reserve for Share Repurchase – In 2004 the Company established a reserve for repurchase of shares for \$1,527,933 and has repurchased 70,567 shares for \$527,933.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

Distribution of Profits – Dividends are declared and paid to shareholders based on the unconsolidated net income of the immediately preceding year. Dividends declared were as follows:

	<u>June 30, 2023</u>
Date of Meeting	March 23, 2023
Unconsolidated earnings of the immediately preceding period	1,116,722,164
Cash dividends	
Total ordinary dividends	\$ 313,218,060
	June 21, 2023 and September 21, 2023
Date of payment	2023
Total extraordinary dividends	\$ 272,363,530
Date of payment	September 21 and December 21, 2023
Total shares outstanding	1,134,848,043
Total dividends declared	\$ 585,581,590
Available for future distributions	\$ 415,123,551
Transfer of prior periods' earnings to reserves due to IFRS effect	116,017,023

Other comprehensive income – The balance of other comprehensive income is detailed below:

	<u>June 2023</u>	<u>December 2022</u>
Fair value of equity instruments and debt securities held for collection and sale	20,536,964	20,973,265
Translation adjustment	164,608,800	357,311,386
Hedging transactions	(167,472,666)	(288,093,148)
Employee benefits	1,038,592	1,038,592
Deferred income tax	41,423,637	77,467,460
Equity in income of associates	299,606,576	392,240,178
	<u>\$ 359,741,903</u>	<u>560,937,733</u>

22. NON-CONTROLLING INTEREST

The following is a breakdown of the non-controlling interest in subsidiaries:

Company	Equity interest				Profits interest	
	%	June 2023	%	December 2022	June 2023	June 2022
Surtigas S.A. E.S.P.	0.01%	91,846	0.01%	89,212	7,533	6,864
Transoccidente S.A. E.S.P.	21.00%	2,369,091	21.00%	2,579,088	498,796	357,009
Promioriente S.A. E.S.P.	26.73%	119,366,720	26.73%	118,330,327	32,204,611	17,754,336
Transmetano E.S.P. S.A.	0.33%	780,457	0.33%	791,233	123,730	114,712
Gases de Occidente S.A. E.S.P.	5.57%	22,691,259	5.57%	24,461,000	3,464,257	4,018,015
Zonagen S.A.S.	0.05%	(1,304)	0.05%	(697)	(501)	(138)
Sociedad Portuaria El Cayao S.A. E.S.P.	49.00%	160,942,352	49.00%	183,531,735	22,367,900	10,590,910
		<u>306,240,421</u>		<u>329,781,898</u>	<u>58,666,326</u>	<u>32,841,708</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

23. REVENUE

The following is a breakdown of revenue:

	<u>For six-month periods ended:</u>		<u>For three-month periods ended:</u>	
	<u>June 2023</u>	<u>June 2022</u>	<u>June 2023</u>	<u>June 2022</u>
Revenue from contracts with customers				
Natural gas transportation and distribution (1)	\$ 1,983,950,452	1,813,032,716	977,029,757	918,084,518
Energy distribution and trading	331,239,546	303,024,300	171,010,348	157,758,787
Installations and technical services	155,156,272	118,848,825	76,533,176	63,069,586
Back-office services	2,025,353	696,738	1,204,263	696,738
Other services	85,893,119	61,899,354	45,473,602	31,155,152
	<u>2,558,264,742</u>	<u>2,297,501,933</u>	<u>1,271,251,146</u>	<u>1,170,764,781</u>
Revenue from domestic concession contracts	50,155,354	74,566,192	24,810,040	39,845,581
Revenue from foreign concession contracts	152,173,962	304,544,753	64,444,218	144,325,176
Concession revenue (See note 11)	202,329,316	379,110,945	89,254,258	184,170,757
Total revenue from contracts with customers (2)	<u>2,760,594,058</u>	<u>2,676,612,878</u>	<u>1,360,505,404</u>	<u>1,354,935,538</u>
Other revenue				
Lease agreements	144,589,967	107,658,362	69,826,304	52,841,648
Non-bank financing	156,227,903	80,524,382	83,854,669	43,682,014
Income from income hedges	1,497,317	1,932,906	1,242,276	34,820
Total other revenue	<u>302,315,187</u>	<u>190,115,650</u>	<u>154,923,249</u>	<u>96,558,482</u>
Total revenue	\$ <u>3,062,909,245</u>	<u>2,866,728,528</u>	<u>1,515,428,653</u>	<u>1,451,494,020</u>

(1) The variation in revenues corresponds mainly to an increase in consumption in the industries, which increase the commercialization margin of Surtigas S.A. E.S.P. and Gases de Occidente S.A. E.S.P.

(2) The breakdown of the liability for revenue received in advance that was recognized in profit or loss as of June 30, 2023, can be found in the movement of revenue received in advance in note 20

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

24. COST OF SALES AND SERVICES RENDERED

The following is a breakdown of cost of sales and services rendered:

	For six-month periods ended:		For three-month periods ended:	
	June 2023	June 2022	June 2023	June 2022
Employee benefits	\$ 144,661,889	92,947,838	78,127,396	47,938,463
Maintenance and materials	117,706,757	93,906,275	61,626,804	48,338,080
Fees and consulting services	20,916,549	16,538,357	11,793,130	9,149,608
General expenses	1,438,116,128	1,205,213,685	704,147,534	637,083,819
Impairments	15,319	2,059	15,319	-
Result of cost hedges	8,463,248	(116,812)	6,159,502	(2,642,283)
Concession construction (See note 11)	128,456,405	212,607,292	56,884,157	104,084,114
Taxes	22,735,687	18,860,684	15,043,969	12,503,675
Depreciation and amortization	166,850,911	144,536,154	83,122,730	72,960,921
	<u>\$ 2,047,922,893</u>	<u>1,784,495,532</u>	<u>1,016,920,541</u>	<u>929,416,397</u>

25. ADMINISTRATIVE AND SELLING EXPENSES

The following is a breakdown of administrative and selling expenses:

	For six-month periods ended:		For three-month periods ended:	
	June 2023	June 2022	June 2023	June 2022
Employee benefits	\$ 66,004,544	70,774,370	34,747,831	37,099,752
Fees	41,803,736	25,215,429	26,593,732	14,341,358
Maintenance and materials	12,203,455	10,329,957	7,428,897	5,517,536
General administrative expenses	80,686,173	59,201,790	42,898,864	32,211,705
Provisions	810,450	386,704	19,418	233,173
Administrative taxes	43,813,525	32,667,685	21,151,131	16,844,937
Depreciation and amortization	15,922,592	15,384,466	8,000,658	7,920,404
	<u>261,244,475</u>	<u>213,960,401</u>	<u>140,840,531</u>	<u>114,168,865</u>

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

26. OTHER, NET

The following is a breakdown of other income and other expenses for the periods ended:

	For six-month periods ended:		For three-month periods ended:	
	June 2023	June 2022	June 2023	June 2022
Leases	\$ 508,894	401,039	253,284	226,758
Fees	12	748,786	5	493,435
Gain on sale of assets	728,244	5,230,455	32,932	5,231,590
Compensation (1)	77,308,222	29,399,980	77,016,241	3,102,944
Profits	11,138,986	5,499,481	4,440,813	2,644,792
Donations	\$ (7,791,124)	(7,947,542)	(4,023,879)	(4,985,285)
Loss on disposal of assets	(3,461,252)	(1,479,817)	(297,428)	(723,163)
Other	(955,590)	(510,950)	(610,076)	(266,726)
Other, net	<u>77,476,392</u>	<u>31,341,432</u>	<u>76,811,892</u>	<u>5,724,345</u>

(1) Compensations recognized as of June 30, 2023, correspond mainly to the compensation for loss of profits and consequential damages received by Promioriente in the amount of \$56,848,000 (June 2022: \$17,500,000) due to the emergency occurred in August 2021 as a result of the winter wave, which left a section of the gas pipeline without service. Additionally, in 2022 Transmetano received from Concesión Vías Del Nus - Vinus S.A.S., the construction of a section of the gas pipeline valued at \$ 8,778,409 due to the intervention of the territorial spaces, gas pipeline easement and transit with permanent occupation, by the concessionaire (The Concessionaire) who will carry out a road interference or parallelism in the middle of the gas transportation infrastructure operated by Transmetano E.S.P. S.A.

27. FINANCE INCOME

The following is a breakdown of finance income:

	For six-month periods ended:		For three-month periods ended:	
	June 2023	June 2022	June 2023	June 2022
Interest and yields (1)	\$ 105,771,061	16,212,001	43,305,851	10,168,713
Income from financial assets concession	170,527,771	142,337,377	76,578,701	68,429,127
Other	8,147,714	3,959,328	4,511,628	1,985,598
	<u>284,446,546</u>	<u>162,508,706</u>	<u>124,396,180</u>	<u>80,583,438</u>

(1) The increase in interest and yields is mainly due to the increase in the interest rate established by the Colombian Central Bank, which has resulted in higher income in the line of financing of the Brilla product, which is established as the maximum legal rate.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

28. FINANCE COSTS

The following is a breakdown of finance costs:

	For six-month periods ended:		For three-month periods ended:	
	June 2023	June 2022	June 2023	June 2022
Interest on bonds and securities issued (1)	199,403,378	161,335,940	98,702,694	84,048,153
Interest on financial obligations (2)	242,380,741	39,947,624	120,068,584	24,121,299
Interest on lease agreements	37,513,677	35,497,591	18,022,393	17,761,803
Other finance costs	15,244,109	19,532,068	6,384,802	7,444,769
	<u>494,541,905</u>	<u>256,313,223</u>	<u>243,178,473</u>	<u>133,376,024</u>

- (1) The increase in interest is mainly due to the increase in the variable factor, mainly the UVR of bonds issued at the national level.
- (2) The increase in interest on financial obligations is associated with an increase in the indebtedness of Promigas and its subsidiaries (see note 15).

29. EXCHANGE DIFFERENCE

The following is a breakdown of the exchange difference:

	For six-month periods ended:		For three-month periods ended:	
	June 2023	June 2022	June 2023	June 2022
Exchange difference caused	2,239,699	2,122,247	4,134,023	2,930,212
Realized exchange difference	5,498,035	(4,114,218)	2,224,834	(4,496,894)
Result of exchange rate hedges	(2,449,466)	39,058	(3,776,706)	(2,490,326)
	<u>5,288,268</u>	<u>(1,952,913)</u>	<u>2,582,151</u>	<u>(4,057,008)</u>

30. RELATED-PARTY TRANSACTIONS AND BALANCES

According to "IAS 24 - Related Party Disclosures", a related party is a person or entity that is related to the entity that is preparing its financial statements and could exercise control or joint control over the reporting entity; exercise significant influence over the reporting entity; or be considered a member of the key management personnel of the reporting entity or of a parent of the reporting entity. The definition of related party includes persons and/or family members related to the entity, entities that are members of the same group (parent and subsidiaries), associates or joint ventures of the entity, post-employment benefit plans for the benefit of employees of the reporting entity or an entity related to the reporting entity.

The following are considered to be related parties:

- An economic related party is a person or entity that is related to any group entity through transactions such as transfers of resources, services and obligations, regardless of whether a price is charged or not. For the

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

Company, transactions between economic related parties are defined as any economic event entered into with the controlling company's shareholders and entities.

- Shareholders who individually own more than 10% of the Company's capital stock.
- Key management personnel: those persons who have authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly, including any director or manager (executive or non-executive) of the entity, including the CEO, Vice Presidents and members of the Board of Directors.
- Subsidiaries: Companies in which control is exercised in accordance with the definition of control in the Code of Commerce and "IFRS 10 - Consolidated Financial Statements".
- Associates: Companies where there is significant influence, which is generally considered to be when there is an ownership interest of between 20% and 50% of their capital.

Related-party transactions

During the three-month periods ended June 30, 2023 and 2022, there were no significant transactions of the following characteristics:

- Free or compensated services charged to a related Company.
- Loans that imply for the borrower an obligation that does not correspond to the essence or nature of the loan agreement.

The following is the summary of assets and liabilities as of June 30, 2023, with its shareholders, members of the board of directors, administrators, associated companies and other related entities:

	Shareholders	Associates	Other related parties	Total
June 30, 2023				
Assets				
Cash	\$ 9,364,279	-	241,304,188	250,668,467
Investments in associates	-	903,081,130	134,100,000	1,037,181,130
Financial assets at amortized cost	559,217	21,588,761	784,498	22,932,476
	\$ 9,923,496	924,669,891	376,188,686	1,310,782,073
Liabilities				
Accounts payable	177,485,545	6,911,057	1,589,972	185,986,574
Bonds outstanding	85,177,004	-	-	85,177,004
	\$ 262,662,549	6,911,057	1,589,972	271,163,578
Income				
Revenue	44,844	60,278,685	1,347,959	61,671,488
Finance income	548,497	1,198,396	21,746,528	23,493,421
Share of profit of equity-accounted	-	155,054,160	-	155,054,160
Other, net	-	2,448	-	2,448
	\$ 593,341	216,533,689	23,094,487	240,221,517
Expenses				

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

	Shareholders	Associates	Other related parties	Total
Cost of sales and services rendered	\$ -	49,866,820	660,936	50,527,756
Administrative and selling expenses	-	9,827	760,593	770,420
Financial expenses	2,020,888			2,020,888
	\$ 2,020,888	49,876,647	1,421,529	53,319,064

31. COMMITMENTS AND CONTINGENCIES

Commitments Promigas S.A. E.S.P. - For the development of its corporate purpose, the Company and its subsidiaries have entered into the following agreements, among others:

By Public Deed No. 1629 of September 16, 1976, of the 18th Notary Public of Bogota, the Company obtained from the National government the concession to build, operate, maintain, exploit and manage a public utility pipeline for the transportation of hydrocarbons from Ballenas, Department of La Guajira, to the cities of Barranquilla and Cartagena, for an 50-year term, extendable to 20 more years. Under the terms of the concession, the National Government will have preemption right established by article 45 of the Petroleum Code for the transportation through the natural gas pipeline, by paying the current rate at the time of carrying it, for up to 20% of the daily transportation capacity of the pipeline. And has a preemption right over the transportation of these products through the gas pipeline, paying a current rate. The Company shall be obligated to sell the pipeline to the Nation, if required by the Government, upon completion of the first 30 years of the Agreement (2006), at the expiry thereof (2026) or upon termination of the extension period, under the terms provided in articles 50 and 51 of the Petroleum Code at the price agreed by the parties, or based on the appraisal of an independent expert. The Company may not assign or relinquish the agreement, neither totally nor partially, without prior approval by the National Government.

In notice served to the Company on May 11, 2005, the ministry of Mines confirmed that they would not take up the purchase option that was available for 2006 over the gas pipelines under concession.

In addition, the Company has entered into another 33 concession contracts.

Agreements with customers corresponding to natural gas transportation through the pipeline systems available to the Company are in accordance with the current regulatory framework and these have the guarantees stipulated by the Company for each agreement.

The Company's management considers that there are no risks of significant losses in the future arising from the performance of these agreements and commitments.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

Bank loan guarantees: As of June 30, 2023, Promigas guarantees financial obligations in U.S. dollars and Peruvian soles, bonds in U.S. dollars and bank guarantees for the following subsidiaries:

Company	Equivalent amount in USD
	USD
Gases del Pacifico S.A.C.	131,177,297
Gases del Norte del Perú S.A.C.	108,210,776

* Promigas Peru debt for a total equivalent to USD 28,818,137, via intercompany Gases del Pacifico and Gases del Norte.

Below is a breakdown of the obligations guaranteed by Promigas:

Company	Start	End	Currency	Rate	Spread	Term Interest	Principal Amort.	New balance
GDP	27/09/2022	22/09/2023	PEN	FIXED	9.98%	Quarterly	Bullet	15,000,000
GDP	17/11/2022	10/11/2023	PEN	FIXED	9.50%	Quarterly	Bullet	16,500,000
GDP	24/11/2022	20/11/2023	PEN	FIXED	11.20%	Quarterly	Bullet	8,000,000
GDP	24/11/2022	20/11/2023	PEN	FIXED	11.20%	Quarterly	Bullet	9,000,000
GDP	31/01/2020	31/01/2025	USD	SOFR	2.10%	Quarterly	Bullet	8,776,526
GDP	19/02/2020	19/02/2025	USD	LIBOR	2.00%	Quarterly	Bullet	7,000,000
GDP	28/01/2022	28/01/2025	USD	SOFR	1.90%	Quarterly	Bullet	5,000,000
GDP	7/02/2022	22/01/2025	USD	SOFR	1.90%	Quarterly	Bullet	5,000,000
GDP	18/04/2022	2/04/2025	USD	SOFR	2.05%	Quarterly	Bullet	5,000,000
GDP	11/10/2022	10/10/2025	USD	SOFR	3.50%	Quarterly	Bullet	4,000,000
GDP	16/12/2022	16/12/2025	USD	SOFR	3.40%	Quarterly	Bullet	5,000,000
GDP	19/01/2023	20/01/2026	USD	SOFR	3.61%	Quarterly	Bullet	18,000,000
GDP	23/03/2023	23/03/2026	PEN	FIXED	10.60%	Quarterly	Bullet	200,000,000
GDP	8/05/2023	8/05/2026	USD	SOFR	3.40%	Quarterly	Bullet	5,000,000
GNOR	26/01/2023	22/01/2024	PEN	FIXED	10.95%	Quarterly	Bullet	75,000,000
GNOR	12/01/2023	5/01/2024	PEN	FIXED	10.88%	Quarterly	Bullet	3,000,000
GNOR	18/11/2022	13/11/2023	PEN	FIXED	9.50%	Quarterly	Bullet	3,600,000
GNOR	8/02/2022	10/02/2025	USD	SOFR	1.90%	Quarterly	Bullet	10,000,000
GNOR	15/03/2022	15/03/2027	USD	SOFR	2.25%	Quarterly	Bullet	6,500,000
GNOR	18/05/2022	18/05/2027	USD	SOFR	2.31%	Quarterly	Bullet	7,000,000
GNOR	15/06/2022	13/06/2025	USD	SOFR	2.15%	Quarterly	Bullet	6,000,000
GNOR	20/01/2023	20/01/2026	USD	SOFR	3.40%	Quarterly	Bullet	6,750,000
GNOR	20/07/2022	20/07/2027	USD	SOFR	2.50%	Quarterly	Bullet	9,000,000
GNOR	25/11/2022	25/11/2025	USD	SOFR	3.20%	Quarterly	Bullet	4,000,000
GNOR	9/02/2023	9/02/2026	USD	SOFR	3.87%	Quarterly	Bullet	23,500,000
GNOR	17/03/2023	17/03/2026	USD	SOFR	3.40%	Quarterly	Bullet	3,500,000
GNOR	10/04/2023	10/04/2026	USD	SOFR	3.23%	Quarterly	Bullet	6,500,000
GNOR	24/05/2023	26/05/2026	USD	SOFR	3.40%	Quarterly	Bullet	3,000,000

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

Commitments of Gases del Pacifico S.A.C. - Maintains a letter of guarantee for US\$20,000,000 in favor of the Peruvian State for a one-year term, in compliance with the Natural Gas Concession Contract in the Northern Zone of Peru, as well as a letter of guarantee with SHELL GNL PERU S.A.C for US\$ 6,601,523 in compliance with the contract for the supply of GAS.

Commitments of Sociedad Portuaria el Cayao S.A. E.S.P. - For the development of its corporate purpose, the Company has entered into the following agreements, among others:

Port Concession Agreement No. 001 of 2015 - The Ministry of Transport, through resolution No. 594 of March 5, 2015, indicates the terms in which the port concession would be established, to occupy temporarily and exclusively a public use area for 20 years, to develop an unloading platform, underwater gas pipelines and connections to the land pipeline connected to the National Transport System, for the import, export and cabotage of liquefied natural gas, in the department of Bolivar, district of Cartagena de Indias, in the form of public utility service. On July 17, 2015, port concession agreement No. 001 of 2015 was entered into by and between the National Infrastructure Agency and the Company.

This agreement will not be automatically extended. It may be extended only by carrying out the procedure provided for such purpose in current regulations, not less than 12 calendar months before the date of expiry of the concession period.

The reference value of the port concession agreement is equal to the net present value of the consideration, which corresponds to US \$3.931.493 payable during 20 years with annual installments. Payment must be made in Colombian pesos.

Agreements with Thermoelectric Companies - On October 29, 2014, the Company entered into agreements with Zona Franca Celsia S.A. E.S.P. (now Prime Termoflores S.A.S E.S.P.), Termobarranquilla S.A. E.S.P. and Termocandelaria S.C.A. E.S.P. (the Customers) in order to provide them with access services to, and use of the port infrastructure for the reception, storage, regasification of liquefied natural gas (LNG) and gas transportation and delivery at the Point of Entry to the National Transportation System (TUA Contracts). To fulfill this purpose, the Company must design, build, operate and maintain the Terminal in accordance with the terms established in such contracts. The commercial operation start date was in December 2016. The TUA Contracts have a term of ten (10) years until November 30, 2026. At the discretion of the Clients the TUA Contract may be extended once, giving notice 4 years prior to the expiration date, for the term agreed by the parties, and in the absence of agreement the extension will be for 5 years. In the event that the Company, for any reason, is unable to provide the gas delivery service or causes the Customer to declare to the Wholesale Energy Market Administrator as unavailable to generate electric energy, it shall pay the customer a penalty for unavailability. The Company will be exempted from the payment of this item to the extent that the event is due to an exempt event, in the terms defined by the TUA Contract. On the other hand, in the event the Company fails to comply with its obligation to unload a load or the actual unloading time exceeds the allotted unloading time, the Company incurs a penalty payable to the customer. The Company shall be exempted from payment of this fine to the extent that the event is due to an exempt event or force majeure.

Other agreements - On November 1, 2014 the Company signed with HOEGH LNG FSRU IV LTD an International Lease Agreement - ILA on a Floating Storage and Regasification Unit - by its acronym FSRU "Hoegh Grace", which has an annual value during the term of the contract of USD \$40,809,000 and allows for a purchase option in year 10. In order to guarantee compliance with the obligations of this contract, a bank guarantee in favor of HOEGH LNG

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

FSRU IV LTD was constituted in the amount of USD \$7,986,000 with Banco Santander. On the same date, the Company signed with HÖEGH LNG HOLDINGS LTD. An Operation and Maintenance Services Agreement with respect to the FSRU. Both contracts have a term of 20 years from the date of acceptance of the FSRU (03/12/2016).

Contingencies - In the course of its operations, the Company is subject to various legal regulations inherent to public utilities, port companies and related to environmental protection. In the opinion of the Company's management and according to legal concepts, no situations have been identified that may indicate possible non-compliance with those regulations that could have a material impact on these financial statements.

Commitments of Gases de Occidente S.A. E.S.P. - The Company established an irrevocable Commercial Trust Agreement for Trust Resources Management with Corficolombiana S.A., related to the GNCV Bond Program, from 2010. Said agreement completed the agreed term and a new irrevocable Commercial Trust Agreement for Trust Resources Management was created with Corficolombiana S.A., as provided in the Bond Conversion Agreement CNG-IV (signed on March 21, 2017 (signed on March 21, 2017 and ending date July 31, 2019), for which a new bond conversion Agreement CNG V was signed (signed on August 1, 2019, until November 30, 2021) referred to as cooperation agreement to Encourage the Transportation, Marketing, Distribution and Consumption of Compressed Natural Gas for Vehicles, which assigns Gases de Occidente S.A. E.S.P. as administrative operator.

Commitment of Compañía Energética de Occidente S.A.S. E.S.P. By virtue of the Management Contract signed with CEDELCA S.A. E.S.P., Compañía Energética de Occidente S.A.S. E.S.P. undertook, among others, to execute a plan of expansion, replacement and improvement of the infrastructure for the development of the commercialization and distribution services in the commercialization market of CEDELCA S.A. E.S.P. tending to maintain and/or rehabilitate the existing networks so that they operate in an optimal manner.

The Investment Plan has a defined amount that is estimated at current prices by means of adjustment techniques to the net present value. The TES (Public Debt Securities issued by the General Treasury of the Nation) is used as the discount rate. Changes in the provision are recognized as a result of changes in the discount rate and the CPI. The provision utilization corresponds to the projects carried out according to the commitment acquired with CEDELCA S.A. E.S.P.

Commitments of Surtidora de Gas del Caribe S.A. E.S.P. - For the development of its corporate purpose, the Company has entered into the following agreements, among others:

- a. Natural gas supply agreements with Empresa Colombiana de Petróleos (Ecopetrol), Frontera Energy, CNE oil & gas, Hocol and Lewis, and gas transportation agreements with Promigas S.A. E.S.P. These agreements are in accordance with the regulatory framework, and their terms of duration range from one to five years, and the necessary and sufficient guarantees for the performance and stability of the agreements have been executed.
- b. Agreements with industrial users and power generating companies with consumptions greater than 100,000 cubic feet per day, under wellhead gas trading and natural gas transport capacity of customer. These agreements are in accordance with the regulatory framework and their terms of duration conform to the trading period determined by current regulations, and the necessary and sufficient guarantees for the performance and stability of the agreements have been executed. The Company's management considers that there are no significant risks of losses expected in the future as a result of the performance of these agreements and commitments.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

The Company's management considers that there are no significant risks of losses expected in the future as a result of the performance of these agreements and commitments.

Contingencies

As of June 30, 2023, the following individual litigations and lawsuits are filed against the Company. Their quantities are determined by the claims and are not recognized in the provisions, given that the lawyers handling each process consider that the success likelihoods of such claims are classified as eventual:

	June 2023	
	Number of Claims	Value
<i>Litigations and lawsuits against</i>		
Easement claims:		
From \$1 to \$1,000	16	2,748,448
From \$1,001 onward	3	8,338,039
Easement	<u>19</u>	<u>11,086,487</u>
Ordinary processes:		
From \$1 to \$1,000	33	9,045,652
From \$1,001 to \$3,000	11	17,891,737
From \$3,001 onward	3	16,401,136
Ordinary	<u>47</u>	<u>43,338,525</u>
Labor	<u>104</u>	<u>8,654,655</u>
Total processes	<u><u>170</u></u>	<u><u>63,079,667</u></u>
<i>Contingency rights</i>		
Contingency rights	4	7,140,890
Litigations and lawsuits	135	85,761,898
Total	<u><u>139</u></u>	<u><u>92,902,788</u></u>

In the course of their operations, Promigas and its subsidiaries are subject to various legal regulations inherent to public utilities and environmental protection. In the opinion of the management of these companies and according to legal concepts, no situations have been identified that could indicate possible non-compliance with these regulations that could have a significant impact on the financial statements.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

32. INFORMATION BY SEGMENTS

Information by segments is structured according to the different lines of business of Promigas and its subsidiaries. The lines of business described below were established according to the organizational structure of the Companies, considering the nature of services and products offered. The structure of this information is designed as if each line of business were an autonomous business and had its own separate resources, allocated based on the assets assigned to each line according to an internal system of percentage distribution of costs.

The operating segments of Promigas and its subsidiaries are comprised as follows:

Natural gas transport

Promigas S.A. E.S.P.
Promioriente S.A. E.S.P.
Transmetano E.S.P. S.A.
Transoccidente S.A. E.S.P.
Sociedad Portuaria el Cayao S.A.
E.S.P.
Promigas Panamá Corporation

Integrated solutions for the industry and power generation

Promisol S.A.S.
Zonagen S.A.S.

Natural gas distribution

Surtigas S.A. E.S.P.
Gases de Occidente S.A. E.S.P.
Gases de la Guajira S.A. E.S.P.
Gas Natural de Lima y Callao S.A.C.
Gases del Pacífico S.A.C.
Orion Contac Center S.A.S.
Enlace Servicios Empresariales
Globales S.A.S.
Promigas Perú S.A.
Promigas Brasil Ltda.

Power distribution

Compañía Energética de Occidente
S.A.S. E.S.P.

Non-bank financing

Compañía Energética de Occidente
S.A.S. E.S.P.
Gases de Occidente S.A. E.S.P.
Surtigas S.A. E.S.P.

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

Assets, liabilities and consolidated statement of income by segment are presented below:

June 30, 2023	Gas transportation	Gas distribution			Power distribution and sale	Integrated solutions for the industry	Non-bank financing	Total
		National	Abroad	Total				
Total assets	\$ 9,023,326,350	2,475,168,439	4,216,831,628	6,692,000,067	735,049,524	134,419,452	839,665,898	17,424,461,291
Total liabilities	\$ 6,810,203,161	1,705,079,125	2,515,764,487	4,220,843,612	605,140,509	56,654,776	17,534,874	11,710,376,932
Contracts with customers	\$ 619,984,076	1,372,932,316	213,440,584	1,586,372,900	303,890,518	48,118,093	(100,845)	2,558,264,742
Income from construction of concessions	45,562,816	4,592,538	152,173,962	156,766,500	-	-	-	202,329,316
Other revenue	127,700,614	41,847	-	41,847	4,254,702	14,090,120	156,227,904	302,315,187
Total revenue	793,247,506	1,377,566,701	365,614,546	1,743,181,247	308,145,220	62,208,213	156,127,059	3,062,909,245
Cost of sales and services rendered	(275,063,968)	(1,154,429,504)	(154,057,228)	(1,308,486,732)	(246,682,762)	(28,740,224)	(60,492,802)	(1,919,466,488)
Cost of concession construction	(35,508,868)	(4,592,537)	(88,355,000)	(92,947,537)	-	-	-	(128,456,405)
Total cost of sales and services rendered	(310,572,836)	(1,159,022,041)	(242,412,228)	(1,401,434,269)	(246,682,762)	(28,740,224)	(60,492,802)	(2,047,922,893)
Gross profit	482,674,670	218,544,660	123,202,318	341,746,978	61,462,458	33,467,989	95,634,257	1,014,986,352
Administrative and selling expenses	(122,201,194)	(67,633,394)	(41,447,144)	(109,080,538)	(24,722,120)	(4,880,382)	(360,241)	(261,244,475)
Share of profit of equity-accounted	(137,410)	58,201,688	96,989,882	155,191,570	-	-	-	155,054,160
Dividends received		1,198,396		1,198,396				1,198,396
Impairment for expected credit losses	(174,265)	(16,260,921)	(4,129,645)	(20,390,566)	(7,741,345)	95,831	(14,146,830)	(42,357,175)
Other, net	72,428,900	75,785,731	(13,601,671)	62,184,060	(5,641,362)	(2,085,503)	(49,409,703)	77,476,392
Operating income (loss)	432,590,701	269,836,160	161,013,740	430,849,900	23,357,631	26,597,935	31,717,483	945,113,650
Finance income	210,528,108	49,462,446	12,929,915	62,392,361	8,105,829	771,491	2,648,757	284,446,546
Interest expense	(342,795,074)	(61,769,028)	(70,469,191)	(132,238,219)	(18,054,246)	(1,452,638)	(1,728)	(494,541,905)
Foreign exchange difference, net	33,612,188	(1,612,566)	(12,944,336)	(14,556,902)	172,349	(24,827,538)	311,635	(5,288,268)
Income before income tax	(98,654,778)	(13,919,148)	(70,483,612)	(84,402,760)	(9,776,068)	(25,508,685)	2,958,664	(215,383,627)
Total financial cost, net	333,935,923	255,917,012	90,530,128	346,447,140	13,581,563	1,089,250	34,676,147	729,730,023
Income taxes	(89,973,695)	(35,471,148)	(6,691,002)	(42,162,150)	(7,736,952)	(2,073,210)	(26,353,700)	(168,299,707)
Net income	\$ 243,962,228	220,445,864	83,839,126	304,284,990	5,844,611	(983,960)	8,322,447	561,430,316

PROMIGAS S.A. E.S.P. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2023
(In thousands of Colombian pesos, unless otherwise stated)

34. EVENTS OCCURRED AFTER THE REPORTING PERIOD

As of the date of issuance of the condensed consolidated interim financial statements as of June 30, 2023, there are no subsequent events that would require adjustments or disclosures to such condensed consolidated interim financial statements.