

***Promigas S.A. E.S.P. and subsidiaries
Condensed Consolidated Interim Financial Statements
For the period ended September 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	September 2023	December 2022
ASSETS			
CURRENT ASSETS:			
Cash	4	\$ 746.074.353	1.729.015.247
Financial assets at fair value	5	363.182.805	344.385.795
Financial assets at amortized cost	6	1.542.496.131	1.419.093.395
Inventories	7	185.931.614	170.793.767
Advances or credit balances due to taxes		116.172.938	27.029.362
Other assets	8	275.896.050	209.572.080
TOTAL CURRENT ASSETS OTHER THAN ASSETS HELD FOR SALE		3.229.753.891	3.899.889.646
Non-current assets held for sale		667.607	667.616
TOTAL CURRENT ASSETS		3.230.421.498	3.900.557.262
NON-CURRENT ASSETS:			
Financial assets at fair value	5	3.778.379.249	3.533.419.448
Financial assets at amortized cost	6	1.741.438.979	1.962.023.575
Investments in associates	9	924.395.718	1.087.469.872
Total property, plant and equipment:	10	1.386.136.952	1.359.028.420
Total property, plant and equipment:			
Concessions	11	5.522.341.931	5.893.178.605
Other intangible assets	12	146.701.857	135.904.572
Total intangible assets:		5.820.159.987	6.184.360.093
Rights-of-use assets	13	163.666.725	138.817.366
Investment property		9.315.332	9.315.331
Net deferred tax assets	14	71.967.041	69.276.388
Other assets	8	312.758.468	371.514.143
TOTAL NON-CURRENT ASSETS		14.208.218.451	14.715.224.636
TOTAL ASSETS		\$ 17.438.639.949	18.615.781.898
LIABILITIES			
CURRENT LIABILITIES:			
Financial obligations	15	\$ 935.112.629	825.228.978
Bonds outstanding	16	252.235.996	435.925.689
Accounts payable	17	714.017.792	751.996.525
Employee benefits	18	31.113.117	25.068.794
Current tax	14	47.005.026	81.080.987
Provisions	19	68.908.516	113.896.004
Other liabilities	20	172.443.422	187.634.248
TOTAL CURRENT LIABILITIES		2.220.836.498	2.420.831.225
NON-CURRENT LIABILITIES:			
Financial liabilities	15	3.655.285.123	4.083.689.447
Bonos en circulación	16	4.197.911.007	4.702.411.548
Accounts payable	17	25.289.434	29.743.502
Employee benefits	18	2.472.233	2.544.764
Provisions	19	280.849.414	281.309.609
Net deferred tax liabilities	14	1.100.448.842	1.069.661.511
TOTAL NON-CURRENT LIABILITIES		9.262.256.053	10.169.360.381
TOTAL LIABILITIES		11.483.092.551	12.590.191.606
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		3.532.071.788	3.483.643.517
Other equity transactions		(11.554.543)	(11.554.810)
Other comprehensive income		334.925.180	560.937.733
TOTAL SHAREHOLDERS' EQUITY		5.634.241.402	5.695.808.394
NON-CONTROLLING INTERESTS	22	321.305.996	329.781.898
TOTAL EQUITY		5.955.547.398	6.025.590.292
TOTAL LIABILITIES AND EQUITY		\$ 17.438.639.949	18.615.781.898

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

Aquiles Mercado González
Legal Representative (Alternate)**

John Jairo Rodríguez Benavides
Public Accountant**
Professional License No..11628-T

Rosangela Barrios Pantoja
Independent Auditor
Professional License No. 155173-T
Member of KPMG S.A.S.
(See my report dated November 10, 2023)

** We, the undersigned Alternate Legal Representative and Certified 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 nine-month periods ended:		For three-month periods ended:	
		September 2023	September 2022	September 2023	September 2022
Revenue					
Contracts with customers	\$	3.923.766.155	3.544.071.692	1.365.501.413	1.246.569.759
Revenues from domestic concession contracts		95.999.802	118.966.095	45.844.449	44.399.903
Revenues from foreign concession contracts		241.659.730	436.190.502	89.485.768	131.645.749
Other revenue		449.446.913	297.891.218	147.131.725	107.775.568
Total revenue	23	4.710.872.600	4.397.119.507	1.647.963.355	1.530.390.979
Cost of sales and services rendered		(2.921.754.492)	(2.467.478.901)	(1.002.288.004)	(895.590.661)
Cost of construction of domestic concession contracts		(74.269.292)	(71.589.125)	(34.167.887)	(28.544.976)
Cost of construction of foreign concession contracts		(141.221.322)	(242.657.423)	(52.866.322)	(73.094.280)
Total Cost of sales and services rendered	24	(3.137.245.106)	(2.781.725.449)	(1.089.322.213)	(997.229.917)
GROSS PROFIT		1.573.627.494	1.615.394.058	558.641.142	533.161.062
Administrative and selling expenses	25	(385.098.741)	(329.876.690)	(123.854.266)	(115.916.289)
Share of profit of equity-accounted in:					
Domestic associates		88.998.276	96.984.363	30.933.998	35.667.348
Foreign associates		140.905.721	128.202.238	43.915.839	43.386.534
Total share of profit of equity-accounted	9	229.903.997	225.186.601	74.849.837	79.053.882
Dividends received		1.198.396	1.250.450	-	-
Impairment for expected credit losses	6	(66.857.977)	(46.476.550)	(24.500.801)	(13.355.152)
Other, net	26	72.492.640	44.598.358	(4.983.752)	13.256.926
OPERATING INCOME (LOSS)		1.425.265.809	1.510.076.227	480.152.160	496.200.429
Finance income	27	403.468.318	246.838.992	119.021.772	84.330.286
Interest expense	28	(725.800.541)	(409.379.732)	(231.258.636)	(153.066.508)
Net exchange difference	29	(13.558.239)	1.724.708	(8.269.970)	(228.204)
Net total financial cost		(335.890.462)	(160.816.032)	(120.506.834)	(68.964.426)
INCOME BEFORE INCOME TAX		1.089.375.347	1.349.260.195	359.645.326	427.236.003
Income taxes	14	(257.273.666)	(344.654.361)	(88.973.959)	(114.620.251)
NET INCOME		\$ 832.101.681	1.004.605.834	270.671.367	312.615.752
INCOME ATTRIBUTABLE TO:					
Company shareholders	\$	753.343.116	954.015.275	250.579.125	294.866.900
Non-controlling interests	22	78.758.565	50.590.559	20.092.242	17.748.852
		\$ 832.101.681	1.004.605.834	270.671.367	312.615.752
NET INCOME PER SHARE		\$ 663,83	840,65	220,80	259,83

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

Aquilés Mercado González
Legal Representative (Alternate)**

John Jairo Rodríguez Benavides
Public Accountant**
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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 nine-month periods ended:		For three-month periods ended:	
		September 2023	September 2022	September 2023	September 2022
NET INCOME		\$ 832.101.681	1.004.605.834	270.671.367	312.615.752
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		(285.644)	-	(196.976)	-
Deferred tax	#####	154.342	(598.117)	65.002	-
		(479.071)	5.383.643	(131.974)	-
<i>Other comprehensive income to be reclassified to profit or loss</i>					
Currency translation adjustment		(258.523.087)	191.934.337	(42.966.733)	140.326.539
Hedging transactions		145.300.023	(109.799.254)	25.175.670	(86.493.702)
Deferred tax	#####	(44.254.282)	32.936.023	(8.156.035)	25.403.781
		(157.477.346)	115.071.106	(25.947.098)	79.236.618
OTHER COMPREHENSIVE INCOME IN ASSOCIATES					
<i>Other comprehensive income to be reclassified to profit or loss</i>					
Currency translation adjustment		(103.555.972)	76.029.546	(17.406.241)	59.850.247
Hedging transactions		7.160.379	38.134.410	13.644.250	30.487.013
	9	(96.395.593)	114.163.956	(3.761.991)	90.337.260
TOTAL COMPREHENSIVE INCOME, NET OF TAXES		(254.352.010)	234.618.705	(29.841.063)	169.573.878
TOTAL INCOME AND OTHER COMPREHENSIVE INCOME		\$ 577.749.671	1.239.224.539	240.830.304	482.189.630
INCOME AND OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Company shareholders		\$ 527.330.563	1.167.837.401	225.762.402	449.260.309
Non-controlling interests		50.419.108	71.387.138	15.067.902	32.929.321
		\$ 577.749.671	1.239.224.539	240.830.304	482.189.630

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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)

For the periods ended:		Retained earnings											
		Notes	Subscribed and paid-in capital	Share issue premium	Reserves	Income (loss) from prior years	Net income	First-time adoption effect	Total	Other equity transactions	Other comprehensive income	Total shareholders' equity	Non-controlling interests
Balance as of December 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		-	-	-	(3.871.072)	-	-	(3.871.072)	-	-	(3.871.072)	(1.577)	(3.872.649)
Dividend withholdings transferred to shareholders		-	-	-	3.196.838	-	-	3.196.838	-	-	3.196.838	-	3.196.838
Carryforwards	21	-	-	-	1.099.132.603	(1.099.132.603)	-	-	-	-	-	-	-
Net income and other comprehensive income		-	-	-	-	954.015.275	-	954.015.275	-	213.822.126	1.167.837.401	71.387.138	1.239.224.539
Balance as of September 2022		113.491.861	322.822.817	1.226.467.276	983.257.178	954.015.275	1.505.786.626	3.443.059.079	(11.554.814)	472.375.656	5.566.661.875	316.840.637	5.883.502.512
Balance as of December 2022	\$	113.491.861	322.822.817	1.226.467.276	979.566.989	998.289.902	1.505.786.626	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)	(2.335)	(5.054.522)
Dividend withholdings transferred to shareholders		-	-	-	1.735.955	-	-	1.735.955	-	-	1.735.955	-	1.735.955
Carryforwards	21	-	-	-	998.289.902	(998.289.902)	-	-	-	-	-	-	-
Net income and other comprehensive income		-	-	-	-	753.343.116	-	753.343.116	-	(226.012.553)	527.330.563	50.419.108	577.749.671
Balance as of September 2023	\$	113.491.861	322.822.817	1.342.484.299	1.272.942.046	753.343.116	1.505.786.626	3.532.071.788	(11.554.543)	334.925.180	5.634.241.402	321.305.996	5.955.547.398

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

	Notes	September 2023	September 2022
Cash flows from operating activities:			
Net income (loss)		\$ 832.101.681	1.004.605.834
Adjustments to reconcile net income to net cash provided by:			
operating activities:			
Depreciation	10, 13, 24, 25	44.235.218	38.766.021
Amortization of intangible assets	11, 12, 24, 25	232.825.909	205.636.693
Compensation received in kind	11, 23	-	(11.352.553)
Interest earned	15, 16	793.156.912	442.622.619
Accrued yields	27	(558.716.137)	(354.722.890)
Restatement of financial assets	27	(247.106.472)	(210.544.407)
Income from equity method	9	(229.903.997)	(225.186.601)
Impairment of:			
Inventories	7	193.115	2.059
Accounts receivable and other	6	66.857.977	46.476.550
Provisions accrued	20	29.925.490	23.863.821
Exchange difference on foreign currency transactions		13.558.239	1.441.612
Loss (gain) on sale of:			
Propiedades, gasoductos planta y equipo	12	(728.319)	(5.229.925)
Pérdida en baja de:			
Property, gas pipelines, networks, plant and equipment	10, 26	1.433.824	273.530
Concessions	11, 26	3.157.614	3.516.364
Intangible assets	12	242.484	5.000
Rights-of-use assets	13, 26	(198.248)	(144.250)
Valuation of:			
Recognition of finance leases - lessor		(649.695)	-
Investment properties	3	-	(432.254)
Construction contracts concessions		(100.438.408)	(194.085.704)
Income tax	14	257.273.666	344.654.361
Changes in assets and liabilities:			
Accounts receivable		(93.724.811)	(96.809.603)
Inventories		(51.564.784)	(33.490.307)
Equity instruments through profit or loss		101.217.709	(118.346.468)
Hedging transactions		(326.970)	455.328
Other assets		(101.828.049)	(97.494.779)
Accounts payable		(228.960.890)	(26.504.519)
Employee benefits		2.139.937	3.869.508
Other liabilities		18.090.831	28.578.954
		(354.957.027)	(339.741.886)
Income tax paid	14	(309.730.328)	(185.734.395)
Yields received		511.402.089	339.078.438
Interest paid	15, 16	(721.378.956)	(328.086.877)
Net cash provided by operating activities		262.556.631	595.681.160
Cash flow from investing activities:			
Disposition of:			
Debt securities held for collection		8.552.846	-
Debt securities and certificates held for collection and sale		74.400.000	-
Loans granted		(6.730.791)	-
Receivables on loans granted		7.463.268	-
Acquisition of:			
Debt securities held for collection		(30.400.140)	-
Debt securities and certificates held for collection and sale		(149.100.000)	-
Property, gas pipelines, plant and equipment	10	(122.553.881)	(72.213.176)
Concessions	11	(255.825.544)	(397.494.672)
Other intangibles	12	(29.630.539)	(21.276.578)
Proceeds from the sale of:			
Property, gas pipelines, networks, plant and equipment.	10, 26	2.625.770	5.603.201
Assets held for sale		-	360.000
Disinvestment of subsidiaries		-	(20.391)
Non-controlling interest		(267)	(51)
Excess paid for acquisition of interest to non-controlling interests		267	51
Dividends received from investments in associates	9	222.819.115	192.404.844
Net cash used in investing activities		(278.379.896)	(292.636.772)
Cash flows from financing activities:			
Dividends paid	17	(497.896.827)	(380.696.232)
Acquisition of financial obligations	15	1.169.026.168	426.562.950
Payments of financial obligations	15	(1.205.050.308)	(195.306.527)
Payment of bonds	16	(380.179.000)	(120.000.000)
Net cash used in financing activities		(914.099.967)	(269.439.809)
Net (decrease) increase in cash		(929.923.232)	33.604.579
Effect of translation adjustment on cash		(54.855.042)	22.666.336
Effect of foreign exchange difference on cash		1.837.380	2.029.588
Cash opening balance		1.729.015.247	427.848.665
Cash closing balance		\$ 746.074.353	486.149.168

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

1. REPORTING ENTITY

Promigas S.A. E.S.P. (hereinafter referred to as 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. It engages in gas, oil, and all types of energy activities, including but not limited to renewable, conventional, and unconventional sources. 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	September 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%
Promigas USA inc.(2)	100.00%	0.00%	100.00%	0.00%	0.00%	0.00%
Promigas GCX Holdings LLC (3)	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.

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- (2) A company established on August 28, 2023, in accordance with the laws of the state of Delaware, with a direct 100% ownership by Promigas. The company's corporate purpose is to engage in business management activities in the United States of America.
- (3) A limited liability company formed on August 28, 2023, in accordance with the laws of the state of Delaware, with a direct 100% ownership by Promigas USA Inc., which is in turn controlled by Promigas S.A. E.S.P. with a 100% ownership stake.

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

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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.

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).

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The interests in subsidiaries by controlling entities must be recognized in the financial statements in accordance with the equity method (Article 35 of Act 222), as described in IAS 28.

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 should be read in conjunction with the annual consolidated financial statements as of December 31, 2022, which maintain the same policies, calculation methods, judgments, and estimates.

The condensed consolidated interim financial statements for the period ended September 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.

According to the analysis conducted on the amendments issued by the IASB, no impacts are evident on these financial statements.

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:

	September 2023		December 2022	
Period-end	\$	<u>4.053,76</u>		<u>4,810.20</u>
Monthly averages:				
September 2023			September 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
July		4,067.63	July	4,394.01
August		4,066.87	August	4,326.77
September		4,008.41	September	4,437.31

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

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Subsidiaries:	Functional currency
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
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
Promigas USA inc.	U.S. dollar
Promigas GCX Holdings LLC	U.S. dollar

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. DETERMINING FAIR VALUES

The condensed consolidated interim financial statements for the period ended September 30, 2023, retain the same criteria for determining fair values used at year-end December 31, 2022.

The condensed consolidated interim financial statements for the period ended September 30, 2023, do not include all the information required for a complete set of financial statements under NCIF. However, selected notes are provided, including explanations of significant events and transactions, allowing an understanding of the changes in the financial position and the Company's developments since the last financial statement.

According to the analysis conducted on the amendments issued by the IASB, there is no impact on these financial statements.

Fair Value Measurements on a Recurring Basis

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

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

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	September 2023		December, 2022	
	Level 2	Level 3	Level 2	Level 3
Assets				
Hedging operations receivable (1)	\$ 2,875,708	-	3,118,508	-
Debt instruments through profit or loss (1)	-	-	8,552,846	-
Certificates and marketable fixed-income securities (1)	143,702,307	-	60,967,383	-
Equity instruments through profit or loss (1)	167,537,349	-	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)	-	3,754,337,680	-	3,507,231,208
Investment properties	9,315,332	-	9,315,331	-
	<u>\$ 347,472,265</u>	<u>3,754,337,680</u>	<u>375,065,141</u>	<u>3,507,231,208</u>
Liabilities				
Creditors for hedging liability position (2)	\$ 752,223	-	700,647	-
(1) See note 5.				
(2) See note 17.				

Promigas and its subsidiaries do not have assets and liabilities that can be classified in Level 1, considering that for assets and liabilities to be classified in this level, their values must be based on quoted market prices in active markets.

The following table presents the movement of financial assets for concessioned gas pipelines classified in Level 3, where it can be seen that there are no transfers between levels:

	<u>Financial assets under concession</u>
Balance as of December 31, 2022	\$ 3,507,231,208
Fair value adjustments through profit or loss (Note 27)	247,106,472
Balance as of September 30, 2023	<u>\$ 3,754,337,680</u>

4. CASH

Cash consists of the following:

	September 2023	December 2022
In local currency		
Cash	\$ 194,837	198,266
Banks (1)	514,293,879	1,536,883,746
	<u>514,488,716</u>	<u>1,537,082,012</u>
In foreign currency		
Cash	198,081	462,088
Banks (a)	231,387,556	191,471,147
	<u>231,585,637</u>	<u>191,933,235</u>
Total	<u>\$ 746,074,353</u>	<u>1,729,015,247</u>

(1) The change mainly corresponds to the following movements as of September 30, 2023:

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	September 2023
Balance as of December 31, 2022	1,728,354,893
Payments and collections from third parties, net	(1,213,804,458)
Loans received	297,231,000
Purchase of Certificates of Deposit (CDs)	(140,500,000)
Settlement of Certificates of Deposit (CDs)	74,400,000
Balance as of September 30, 2023	<u><u>745,681,435</u></u>

Below is a breakdown of the credit rating determined by independent risk rating agencies for the main financial institutions where Promigas and its subsidiaries hold cash funds:

Credit rating	September 2023	December 2022
AAA	\$ 626,648,479	1,599,699,117
AA+	97,082,852	70,234,285
AA	47,882	-
A+	3,260,836	12,187,979
BBB+	18,641,386	46,233,512
	<u><u>\$ 745,681,435</u></u>	<u><u>1,728,354,893</u></u>

There are no restrictions or limitations 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:

	September 2023	December 2022
Current portion		
Debt instruments	\$ -	8,552,846
Certificates and fixed income securities held for collection and sale (1)	143,702,307	60,967,383
Equity instruments through profit or loss (2)	167,537,349	268,721,736
Valuation of hedging derivatives	2,875,708	1,319,604
Financial assets for construction of concessions (3)	49,067,441	4,824,226
	<u><u>\$ 363,182,805</u></u>	<u><u>344,385,795</u></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 (4)	3,754,337,680	3,507,231,208
Valuation of hedging derivatives	-	1,798,903
	<u><u>\$ 3,778,379,249</u></u>	<u><u>3,533,419,448</u></u>

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- (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:

	September 2023
Opening balance	268,721,736
Additions	5,745,276,461
Yield accrual	33,857,941
Interest received	(33,824,619)
Disposals	(5,846,494,170)
Closing balance	<u>167,537,349</u>

- (3) Corresponds to accounts receivable from Gases del Pacífico S.A.C. and Gases del Norte del Perú S.A.C. corresponding to the agreement to execute asset investments with FISE resources for the supply of natural gas to residential users in the Norte concession and the Piura concession, within the framework of Emergency Decree No. 002-2023. The projects under FISE have been assigned to the concession operators or other third parties through formal documents signed by the government and mandatory for the operators. The activities to be performed correspond to a modification of the original concession contract whose identified performance obligations are the construction of works, as well as the operation and maintenance related to elements that were not in the initial design of the concession contract. An account receivable is recognized in accordance with IFRIC 12.16 to the extent that the remuneration to the concessionaires is guaranteed by the Peruvian State upon completion of the works.
- (4) Below is a detail of the value of the financial asset under option to purchase from the Colombian State for each Company:

	September 2023	December 2022
Promigas S.A. E.S.P.	\$ 2,952,906,965	2,767,870,451
Transmetano E.S.P. S.A.	205,846,629	190,421,597
Surtigas S.A. E.S.P.	400,682,675	373,891,196
Promioriente S.A. E.S.P.	66,668,862	59,226,086
Gases de Occidente S.A. E.S.P.	128,232,549	115,821,878
	<u>\$ 3,754,337,680</u>	<u>3,507,231,208</u>

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6. FINANCIAL ASSETS AT AMORTIZED COST

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

	September 2023	December 2022
Current portion		
Debt securities	\$ 25,090	26,625
Accounts receivable (1)	1,442,876,486	1,371,545,098
Other accounts receivable (2)	99,594,555	47,521,672
	<u>\$ 1,542,496,131</u>	<u>1,419,093,395</u>
Non-current portion		
Debt securities	\$ 172,553	172,553
Accounts receivable (1)	1,731,585,066	1,951,842,749
Other accounts receivable (2)	9,681,360	10,008,273
	<u>\$ 1,741,438,979</u>	<u>1,962,023,575</u>

(1) Accounts receivable are comprised as follows:

	September 2023			December 2022		
	Third parties	Related Parties	Total	Third parties	Related Parties	Total
Current portion						
Gas transportation	\$ 148,786,689	10,311,074	159,097,763	100,105,292	6,741,870	106,847,162
Gas distribution	502,069,020	7,392,461	509,461,481	555,253,466	2,698,062	557,951,528
Energy distribution and trade	167,485,025	981	167,486,006	189,134,619	775	189,135,394
Non-bank financing (FNB-Brilla)	400,922,344	2,810,471	403,732,815	332,108,084	107,255	332,215,339
Finance lease (a)	222,118,067	-	222,118,067	214,192,632	-	214,192,632
Other services (b)	119,986,204	25,332	120,011,536	98,250,429	6,048	98,256,477
	<u>1,561,367,349</u>	<u>20,540,319</u>	<u>1,581,907,668</u>	<u>1,489,044,522</u>	<u>9,554,010</u>	<u>1,498,598,532</u>
Impairment accounts receivable	<u>(139,031,182)</u>	<u>-</u>	<u>(139,031,182)</u>	<u>(127,053,434)</u>	<u>-</u>	<u>(127,053,434)</u>
	<u>\$ 1,422,336,167</u>	<u>20,540,319</u>	<u>1,442,876,486</u>	<u>1,361,991,088</u>	<u>9,554,010</u>	<u>1,371,545,098</u>
Non-current portion						
Gas distribution	268,833,789	-	268,833,789	261,901,622	2,234,358	264,135,980
Energy distribution and trade	17,392,157	-	17,392,157	20,088,994	-	20,088,994
Other services (b)	121,639,442	-	121,639,442	122,816,253	-	122,816,253
Non-bank financing	533,119,904	-	533,119,904	425,109,169	-	425,109,169
Finance lease (a)	892,231,831	497,008	892,728,839	1,208,618,792	498,683	1,209,117,475
	<u>1,833,217,123</u>	<u>497,008</u>	<u>1,833,714,131</u>	<u>2,038,534,830</u>	<u>2,733,041</u>	<u>2,041,267,871</u>
Impairment accounts receivable	<u>(102,129,065)</u>	<u>-</u>	<u>(102,129,065)</u>	<u>(89,425,122)</u>	<u>-</u>	<u>(89,425,122)</u>
	<u>\$ 1,731,088,058</u>	<u>497,008</u>	<u>1,731,585,066</u>	<u>1,949,109,708</u>	<u>2,733,041</u>	<u>1,951,842,749</u>
Non-impaired receivables	3,394,584,472	21,037,327	3,415,621,799	3,527,579,352	12,287,051	3,539,866,403
Total, impairment	<u>(241,160,247)</u>	<u>-</u>	<u>(241,160,247)</u>	<u>(216,478,556)</u>	<u>-</u>	<u>(216,478,556)</u>
Net balance	<u>\$ 3,153,424,225</u>	<u>21,037,327</u>	<u>3,174,461,552</u>	<u>3,311,100,796</u>	<u>12,287,051</u>	<u>3,323,387,847</u>

(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.

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Meanwhile, in the Company Promisol corresponds to the finance lease agreement signed with 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 September 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 September 30, 2023 and December 31, 2022, accounts receivable for services rendered and unbilled amount to \$ 399,757,678 and \$1,154,670,251, respectively.

As of September 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:

	September 2023	December 2022
Current portion		
Loans granted	\$ 11,941,160	14,117,130
Dividends receivable (1)	50,906,189	-
Other receivables	46,595,613	43,268,100
	<u>109,442,962</u>	<u>57,385,230</u>
Impairment of loans granted	(9,848,407)	(9,863,558)
	<u>\$ 99,594,555</u>	<u>47,521,672</u>
Non-current portion		
Loans granted	\$ 8,813,575	9,122,824
Other accounts receivable	2,512,794	1,994,280
	<u>11,326,369</u>	<u>11,117,104</u>
Impairment of loans granted	(1,645,009)	(1,108,831)
	<u>\$ 9,681,360</u>	<u>10,008,273</u>

- (1) Dividends receivable are composed as follows:

	September 2023
Gases del Caribe S.A. E.S.P.	49,773,258
E2 Energia Eficiente S.A.	833,332
Extrucol S.A.	205,641
Metrex S.A.	93,958
	<u>50,906,189</u>

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

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	September 2023
Opening balance	\$ (227,450,945)
Impairment	(89,005,470)
Write-off	36,613,278
Reinstatement	22,147,493
Translation adjustments	5,041,981
Closing balance	\$ <u>(252,653,663)</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 loans granted through the Brilla program, blank promissory notes with letters of instruction are constituted and for debts with employees, promissory notes are subscribed and social benefits are pledged in case of retirement.

7. INVENTORIES

The composition of inventory balances is as follows:

	September 2023	December 2022
Goods in stock and materials for services rendered (1)	177,945,449	151,846,640
Inventories in transit	1,853,004	6,812,321
Inventories held by third parties (2)	<u>12,193,889</u>	<u>18,072,595</u>
	191,992,342	176,731,556
Impairment of inventories (3)	<u>(6,060,728)</u>	<u>(5,937,789)</u>
	\$ <u>185,931,614</u>	<u>170,793,767</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.

(3) The following is the inventory impairment movement:

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	September 2023
Opening balance	\$ (5,937,789)
Impairment charged to expense	(207,453)
Translation adjustment	65,818
Cost of assets written off	4,358
Impairment reinstatement	14,338
Closing balance	<u>\$ (6,060,728)</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:

	September 2023	December 2022
Current portion		
Prepaid expenses (1)	\$ 129,095,251	105,901,380
Advances or credit balances for other taxes	37,787,388	29,275,686
Security deposits (2)	109,013,411	74,395,014
	<u>\$ 275,896,050</u>	<u>209,572,080</u>
Non-current portion		
Deposits	\$ 258,812	60,710
Prepaid expenses	98,639,973	119,118,923
Advances or credit balances for other taxes	211,303,647	252,334,510
Other reimbursable assets	2,556,036	-
	<u>\$ 312,758,468</u>	<u>371,514,143</u>

- (1) Corresponds mainly to the prepayment of energy for STR (Interconnected System of energy transmission of regional or Interregional networks), SDL (Local Distribution System) and ADD (Conformation of distribution areas with single use charges by voltage level) services. Energy prepayments are amortized with the energy consumption billed for the month, through profit or loss. For the third quarter of 2023 it increases mainly due to the prepayment made to Ingenio la Cabaña for energy supply.
- (2) The balance corresponds to deposits delivered to XM Compañía de expertos en mercados S.A. E.S.P. - XM S.A. E.S.P. for the purchase of energy in the stock exchange. The increase is mainly generated by market variables associated to the stock exchange price, which in September is estimated at \$1,024/kWh.

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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 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
September 2023						
Gas Natural de Lima y Callao S.A.C.	Gas distribution	Peru	40.00%	\$ 619,629,716	140,905,721	(95,608,019)
Gases del Caribe S.A. E.S.P. (1)	Gas distribution	Colombia	30.99%	301,335,340	88,449,771	(787,574)
E2 - Energía Eficiente S.A. E.S.P.	Gas trading	Colombia	32.41%	3,149,080	679,612	-
Concentra en Inteligencia en Energía S.A.S.	LNG regasification	Colombia	22.24%	281,582	(131,107)	-
				<u>924,395,718</u>	<u>229,903,997</u>	<u>(96,395,593)</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.

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

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	Capital	Share issue premium	Reserves	Net income	Retained earnings	Results of NCI Adoption	Unrealized gains or losses (OCI)	Total equity
September 2023								
Gas Natural de Lima y Callao S.A.C.	\$ 474,434,154	-	133,450,621	343,613,504	(140,484,976)	-	756,412,227	1,567,425,531
Gases del Caribe S.A. E.S.P.	1,755,369	1,260,919	24,155,135	274,796,442	(188,585,445)	874,666,091	(15,109,682)	972,938,829
E2 - Energía Eficiente S.A. E.S.P.	909,998	1,439,982	454,999	2,305,588	19,300,660	(682,535)	-	23,728,691
Concentra en Inteligencia en Energía S.A.S. (1)	1,764,000	-	581,535	(608,998)	(553,425)	-	-	1,183,112
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 September 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:

	September 2023
Opening balance	\$ 1,087,469,872
Dividends declared by companies	(296,582,558)
Equity method through profit or loss	229,903,997
Other comprehensive income for the period in associates	(96,395,593)
Closing balance	<u>\$ 924,395,718</u>

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

	September 2023	
Company	Dividends declared	Dividends actually received
Gases del Caribe	100,295,127	(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	(749,999)
Extracol S.A.	-	(555,231)
Metrex S.A.	-	(253,686)
	<u>296,582,558</u>	<u>(222,819,115)</u>

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10. PROPERTY, PIPELINES, NETWORKS, PLANT AND EQUIPMENT

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

	September 2023				December 2022			
	Cost	Accumulated depreciation	Accumulated impairment	Total	Cost	Accumulated depreciation	Accumulated impairment	Total
Land	\$ 81,516,726	-	(1,451,423)	80,065,303	83,142,068	-	(1,451,423)	81,690,645
Construction in progress	63,643,716	-	-	63,643,716	79,624,453	-	-	79,624,453
Machinery, plant and equipment in assembly	59,148,901	-	-	59,148,901	21,543,588	-	-	21,543,588
Property, plant and equipment in transit	1,137,190	-	-	1,137,190	-	-	-	-
Construction and buildings	107,825,673	(23,948,630)	-	83,877,043	108,602,007	(23,667,766)	-	84,934,241
Gas pipelines and plants	569,044,330	(71,984,680)	-	497,059,650	559,934,357	(65,163,310)	-	494,771,047
Networks	481,472,996	(65,023,533)	-	416,449,463	473,366,222	(59,158,785)	-	414,207,437
Machinery and equipment	275,228,929	(119,803,794)	(1,964)	155,423,171	267,997,035	(115,451,331)	(1,964)	152,543,740
Furniture and fixtures	18,970,771	(11,332,760)	-	7,638,011	18,298,292	(10,462,711)	-	7,835,581
Computer and communication equipment	54,594,632	(37,577,376)	-	17,017,256	52,931,553	(34,660,115)	-	18,271,438
Fleet and transportation equipment	10,866,084	(8,045,467)	-	2,820,617	10,762,890	(7,929,724)	-	2,833,166
Property improvements	4,132,028	(2,275,397)	-	1,856,631	1,450,406	(677,322)	-	773,084
	<u>1,727,581,976</u>	<u>(339,991,637)</u>	<u>(1,453,387)</u>	<u>1,386,136,952</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 and there are no indications of impairment.

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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	-	60,239,829	44,463,499	481,750	89,477	3,641,757	840,559	6,463,200	953,906	4,227,352	906,137	246,415	122,553,881
Additions capitalizable interest	-	3,291,080	1,428,109	-	-	-	-	-	-	-	-	-	4,719,189
Finance lease recognition lessor	-	(25,925,107)	(8,468,897)	-	-	-	-	-	-	-	-	-	(34,394,004)
Capitalizations	3,317,427	(27,499,592)	(14,937,413)	-	3,068,558	6,848,799	7,280,783	21,536,578	251,790	64,688	60,409	7,973	-
Capitalized depreciation	-	525	4,618	-	-	-	-	-	-	-	-	-	5,143
Withdrawals, sales and write-offs	(20,600)	(44,520)	(103,968)	-	-	(999,235)	(31,235)	(1,566,952)	(47,420)	(302,625)	(426,616)	(77,608)	(3,620,779)
Transfer from finance lease	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassifications	-	(19,361,273)	18,317,259	751,812	(3,058,530)	200,109	-	695,158	(102,346)	(501,241)	-	3,058,530	(522)
Tax credits	-	(4,338,408)	(599,836)	-	-	(581,457)	-	(471,865)	-	(21,770)	(26,448)	-	(6,039,784)
Transfers held for sale	-	-	-	-	-	-	16,667	-	-	-	-	-	16,667
Translation adjustments	(4,922,169)	(2,667,053)	(2,498,058)	(96,372)	(875,839)	-	-	(19,424,225)	(383,451)	(1,803,325)	(410,288)	(553,688)	(33,634,468)
Capitalized personnel costs	-	323,782	-	-	-	-	-	-	-	-	-	-	323,782
Balance as of September 30, 2023	\$ 81,516,726	63,643,716	59,148,901	1,137,190	107,825,673	569,044,330	481,472,996	275,228,929	18,970,771	54,594,632	10,866,084	4,132,028	1,727,581,976
<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	-	-	-	-	(2,210,272)	(6,903,961)	(5,864,748)	(12,910,737)	(1,173,337)	(4,146,753)	(768,163)	(429,488)	(34,407,459)
Withdrawals, sales and write-offs	-	-	-	-	-	83,116	-	917,160	47,354	271,655	399,100	12,117	1,730,502
Reclassifications	-	-	-	-	1,493,860	-	-	(33,121)	4,480	29,165	-	(1,493,860)	524
Capitalized depreciation	-	-	-	-	-	(525)	-	(57)	(3,983)	(578)	-	-	(5,143)
Translation adjustments	-	-	-	-	435,548	-	-	7,674,292	255,437	929,250	253,320	313,156	9,861,003
Balance as of September 30, 2023	\$ -	-	-	-	(23,948,630)	(71,984,680)	(65,023,533)	(119,803,794)	(11,332,760)	(37,577,376)	(8,045,467)	(2,275,397)	(339,991,637)
Impairment September 30, 2023	(1,451,423)	-	-	-	-	-	-	(1,964)	-	-	-	-	(1,453,387)
<u>Net balance</u>													
Balance as of December 31, 2023	\$ 81,690,645	79,624,453	21,543,588	-	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 September 30, 2023	\$ 80,065,303	63,643,716	59,148,901	1,137,190	83,877,043	497,059,650	416,449,463	155,423,171	7,638,011	17,017,256	2,820,617	1,856,631	1,386,136,952

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11. INTANGIBLE ASSETS - CONCESSIONS

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

	September 2023			December 2022				
	Cost	Accumulated depreciation	Accumulated impairment	Total	Cost	Accumulated depreciation	Accumulated impairment	Total
Land	\$ 76,909,337	(6,251,382)		70,657,955	79,438,419	(5,674,721)	-	73,763,698
Constructions in progress (1)	226,183,534	-		226,183,534	326,519,710	-	-	326,519,710
Pipelines and networks	6,074,468,851	(1,259,562,309)	(7,810,677)	4,807,095,865	6,205,654,175	(1,113,624,303)	(7,810,677)	5,084,219,195
Machinery and equipment	608,459,835	(236,199,609)		372,260,226	574,448,081	(209,172,996)	-	365,275,085
Buildings	59,222,182	(13,360,049)		45,862,133	54,102,625	(11,038,311)	-	43,064,314
Leasehold improvements	437,190	(154,972)		282,218	461,727	(125,124)	-	336,603
	<u>7,045,680,929</u>	<u>(1,515,528,321)</u>	<u>(7,810,677)</u>	<u>5,522,341,931</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 September 30, 2023 includes the balance of concessions under construction of Gases del Norte del Perú S.A.C. and Gases del Pacífico S.A.C., for \$39,884 MM and \$41,872 MM, respectively (\$135,664 MM and \$57,963 MM as of December 31, 2022).

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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
<u>Cost</u>							
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	-	187,818,473	64,440,677	3,564,943	-	1,451	255,825,544
Additions capitalizable interest	-	12,232,295	10,476,585	-	-	-	22,708,880
Valuation of concessions in progress	-	83,679,175	-	-	-	-	83,679,175
Capitalization of assets under construction	10,782,685	(374,043,235)	316,973,126	41,167,867	5,119,557	-	-
Capitalized personnel costs	-	1,607,176	3,167,578	-	-	-	4,774,754
Additions capitalized provisions	-	2,579,801	2,726,000	708,372	-	-	6,014,173
Capitalized depreciation	-	202,929	-	-	-	-	202,929
Withdrawals	-	(269,993)	(2,937,969)	(38,246)	-	-	(3,246,208)
Reclassifications	-	1,403,690	(1,719,362)	315,672	-	-	-
Transfer of commitment to investment plan provisioned	-	-	(19,495,323)	-	-	-	(19,495,323)
Transfer of tax credits	-	(2,023,953)	(6,068,162)	-	-	-	(8,092,115)
Transfer to held for sale	-	(454,426)	1,439,249	(1,328,448)	-	-	(343,625)
Translation adjustments	(13,311,767)	(13,068,108)	(500,187,723)	(10,378,406)	-	(25,988)	(536,971,992)
Balance as of September 30, 2023	\$ 76,909,337	226,183,534	6,074,468,851	608,459,835	59,222,182	437,190	7,045,680,929
<u>Accumulated amortization</u>							
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	(1,165,610)	-	(174,545,547)	(27,818,995)	(2,321,738)	(36,156)	(205,888,046)
Cost of assets written off	-	-	66,303	22,291	-	-	88,594
Amortization capitalized	-	-	(32,011)	-	-	-	(32,011)
Transfers	-	-	47,482	279,475	-	-	326,957
Translation adjustment	588,949	-	28,525,767	490,616	-	6,308	29,611,640
Balance as of September 30, 2023	\$ (6,251,382)	-	(1,259,562,309)	(236,199,609)	(13,360,049)	(154,972)	(1,515,528,321)
Impairment September 30, 2023	-	-	(7,810,677)	-	-	-	(7,810,677)
<u>Net balance:</u>							
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 September 30, 2023	\$ 70,657,955	226,183,534	4,807,095,865	372,260,226	45,862,133	282,218	5,522,341,931

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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 nine-month periods ended September 30, 2023 and 2022.

		September 2023	September 2022
Revenue from domestic concession contracts	\$	95,999,802	118,966,095
Revenues from foreign concession contracts		241,659,730	436,190,502
Costs of domestic concession contracts		74,269,292	(71,589,125)
Costs of foreign concession contracts		141,221,322	(242,657,423)

As of September 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:

	September 2023			December 2022		
	Cost	Accumulated amortization	Total	Cost	Accumulated amortization	Total
Licenses	\$ 205,002,248	(130,344,534)	74,657,714	196,421,006	(117,205,685)	79,215,321
Software	4,818,846	(2,792,625)	2,026,221	4,669,071	(2,657,154)	2,011,917
Rights	263,271	-	263,271	-	-	-
Easements	7,445,534	(2,679,211)	4,766,323	7,445,534	(2,548,011)	4,897,523
Other intangibles	70,228,136	(5,239,808)	64,988,328	53,695,034	(3,915,223)	49,779,811
	<u>\$ 287,758,035</u>	<u>(141,056,178)</u>	<u>146,701,857</u>	<u>262,230,645</u>	<u>(126,326,073)</u>	<u>135,904,572</u>

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The following is the movement of other intangible assets:

	September 2023
<i>Cost</i>	
Opening balance	\$ 262,230,645
Purchases	29,630,539
Additions capitalizable interest	3,865,387
Capitalized personnel costs	92,967
Withdrawals	(559,033)
Translation adjustments	(7,502,470)
Closing balance	\$ <u>287,758,035</u>
<i>Accumulated amortization</i>	
Opening balance	\$ (126,326,073)
Amortization charged to cost	(6,546,182)
Amortization charged to expense	(12,607,385)
Withdrawals	316,549
Translation adjustments	4,106,913
Closing balance	\$ <u>(141,056,178)</u>
Net balance:	
Balance as of December 31, 2022	<u>135,904,572</u>
Balance as of September 30, 2023	<u>146,701,857</u>

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13. RIGHT-OF-USE ASSETS

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

	September 2023			December 2022		
	Cost	Accumulated depreciation	Total	Cost	Accumulated depreciation	Total
<i><u>Rights of use associated with property, plant and equipment</u></i>						
Land	2,352,188	(971,317)	1,380,871	6,323,028	(1,811,878)	4,511,150
Buildings	32,944,764	(10,135,301)	22,809,463	26,818,194	(7,831,319)	18,986,875
Machinery and equipment	57,131,364	(54,750,616)	2,380,748	56,830,623	(54,618,743)	2,211,880
Transport equipment	42,660,802	(21,305,631)	21,355,171	37,540,315	(22,297,579)	15,242,736
Communication and computer equipment	1,783,864	(798,694)	985,170	1,783,864	(413,150)	1,370,714
	<u>136,872,982</u>	<u>(87,961,559)</u>	<u>48,911,423</u>	<u>129,296,024</u>	<u>(86,972,669)</u>	<u>42,323,355</u>
<i><u>Rights of use associated with concessions</u></i>						
Land	10,617,416	(850,743)	9,766,673	299,666	(40,495)	259,171
Buildings	3,621,226	(2,369,894)	1,251,332	6,526,992	(3,041,382)	3,485,610
Machinery and equipment	140,397,330	(36,660,033)	103,737,297	122,115,826	(29,366,596)	92,749,230
	<u>154,635,972</u>	<u>(39,880,670)</u>	<u>114,755,302</u>	<u>128,942,484</u>	<u>(32,448,473)</u>	<u>96,494,011</u>
\$	<u>291,508,954</u>	<u>(127,842,229)</u>	<u>163,666,725</u>	<u>258,238,508</u>	<u>(119,421,142)</u>	<u>138,817,366</u>

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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	225,986	4,737,160	-	14,255,018	-	6,803,995	536,720	-	26,558,879
Additions existing lease agreements	90,087	3,262,474	300,741	574,179	-	191,576	433,010	18,281,504	23,133,571
Withdrawals, sales and write-offs	(185,116)	(660,979)	-	(8,232,578)	-	-	(3,440,709)	-	(12,519,382)
Translation adjustments	(894,772)	(1,212,085)	-	(1,476,132)	-	115,154	(434,787)	-	(3,902,622)
Reclassifications	(3,207,025)	-	-	-	-	3,207,025	-	-	-
Balance as of September 30, 2023	\$ 2,352,188	32,944,764	57,131,364	42,660,802	1,783,864	10,617,416	3,621,226	140,397,330	291,508,954
<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	(68,359)	(2,980,351)	(131,873)	(6,047,898)	(385,544)	(285,442)	(419,152)	(7,293,437)	(17,612,056)
Withdrawals, sales and write-offs	121,770	96,151	-	6,528,745	-	-	896,966	-	7,643,632
Capitalized depreciation	-	-	-	(36,738)	-	-	(134,180)	-	(170,918)
Translation adjustments	271,272	579,387	-	547,839	-	(8,928)	327,854	-	1,717,424
Other adjustments	515,878	831	-	-	-	(515,878)	-	-	831
Balance as of September 30, 2023	\$ (971,317)	(10,135,301)	(54,750,616)	(21,305,631)	(798,694)	(850,743)	(2,369,894)	(36,660,033)	(127,842,229)
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 September 30, 2023	\$ 1,380,871	22,809,463	2,380,748	21,355,171	985,170	9,766,673	1,251,332	103,737,297	163,666,725

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14. INCOME TAX

Income taxes are recognized at the amount determined by applying to income before income taxes for the nine-month interim period ended September 30, 2023, management's best estimate of the weighted average tax rate expected for the annual accounting period, adjusted for the tax effect of certain items ultimately recognized in the interim period. As a result, the effective rate in the consolidated interim financial statements may differ from management's estimate of the effective rate for the annual financial statements.

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

At September 30, 2023 and September 30, 2022 the rate applicable to presumptive income was 0%.

Subordinates Gases del Pacífico S.A.C., Gases del Norte del Perú S.A.C. and Promigas Perú, as of September 30, 2023 and September 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 September 30, 2023 and September 30, 2022 were subject to income tax at 20%.

As of September 30, 2023, and September 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:

	September 2023	December 2022
Net deferred tax assets	\$ 71,967,041	69,276,388
Net deferred tax liabilities	<u>(1,100,448,842)</u>	<u>(1,069,661,511)</u>
	<u>(1,028,481,801)</u>	<u>(1,000,385,123)</u>

Breakdown of deferred tax:

Balance as of December 31, 2022 (net)	\$	(1,000,385,123)
Charged to profit or loss, net		(35,335,790)
Charged to OCI		(43,851,213)
Translation adjustment		51,090,325
Balance as of September 30, 2023 (net)	\$	<u>(1,028,481,801)</u>

The following is the composition of the income tax expense:

	September 2023	September 2022
Income tax	\$ 221,937,876	263,564,549
Net deferred taxes	<u>35,335,790</u>	<u>81,089,812</u>
Total income tax expense	<u>\$ 257,273,666</u>	<u>344,654,361</u>

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

	September 2023	%	September 2023	%
Income before income tax	1,089,375,347		1,349,260,195	
Theoretical tax expense calculated according to current tax rate	359,493,865	33,00	445,255,865	33.00
Non-deductible expenses	17,815,526	1,64	6,352,726	0.47
Offset of tax loss carryforwards and excess presumptive income	-	-	184,306	0.01
Dividends received	395,471	0,04	412,648	0.03
Income from equity method	(75,868,319)	(6,96)	(74,311,578)	(5.51)
Interest and other non-taxed income	(17,862,083)	(1,64)	(4,851,584)	(0.36)
Sales of fixed assets occasional gain	(157,452)	(0,01)	-	-
Exempt income	(321,285)	(0,03)	(179,865)	(0.01)
Tax deductions	(2,757,215)	(0,25)	(11,824,890)	(0.88)
Non-deductible expenses used as a tax deduction	4,877,658	0,45	10,538,169	0.78
Tax benefit for the acquisition of productive assets and investment in FNCE projects.	(2,222,003)	0,20	(8,773,115)	(0.65)
Profits of subsidiaries in countries with different tax rates	(3,265,970)	(0,30)	11,268,436	0.84
Difference in rates	1,271,459	0,12	280,510	0.02
Deferred tax effect of changes in tax rates on investments	(2,228,475)	(0,20)	1,657,033	0.12
Deferred tax effect of changes in tax rates on concessions	(24,712,070)	(2,27)	(28,980,177)	(2.15)
Income tax effect of prior period adjustments	4,827,093	0,44	(6,016,842)	(0.45)
Other items	(2,012,534)	(0,18)	3,642,719	0.27
Total tax expense for the period	<u>257,273,666</u>	23,62	<u>344,654,361</u>	25.54

The following is a detail of the current income tax liability:

	September 2023	September 2022
Current income tax	\$ <u>(47,005,026)</u>	<u>(81,080,987)</u>

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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:

	September 2023	December 2022
Current portion		
Loans in foreign currency	\$ 178,853,144	405,016,382
Loans in local currency	545,646,862	189,222,458
Lease agreements	169,015,705	185,248,724
Interest payable	41,596,918	45,741,414
	<u>\$ 935,112,629</u>	<u>825,228,978</u>
Non-current portion		
Loans in foreign currency	\$ 1,041,142,865	815,035,706
Loans in local currency	2,051,012,559	2,535,473,936
Lease agreements	563,129,699	733,179,805
	<u>\$ 3,655,285,123</u>	<u>4,083,689,447</u>
Total financial obligations	<u>\$ 4,590,397,752</u>	<u>4,908,918,425</u>

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	418,000,000	751,026,168	49,692,453	-	1,218,718,621
Incremental costs	6,793	(3,533,030)	-	-	(3,526,237)
Payments	(546,569,844)	(528,319,233)	(130,161,231)	(464,080,702)	(1,669,131,010)
Transfers and reclassifications	-	-	(5,103,914)	-	(5,103,914)
Interest through profit or loss	526,078	1,918,150	-	442,451,920	444,896,148
Capitalized interest	-	-	-	20,365,885	20,365,885
Exchange difference	-	6,979,598	(11,288)	6	6,968,316
Translation adjustments	-	(228,127,732)	(100,699,145)	(2,881,605)	(331,708,482)
Balance as of September 30, 2023	<u>\$ 2,596,659,421</u>	<u>1,219,996,009</u>	<u>732,145,404</u>	<u>41,596,918</u>	<u>4,590,397,752</u>

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16. BONDS OUTSTANDING

The detail of the bonds is presented below:

	September 2023	December 2022
Current portion		
Ordinary bonds	\$ 170,000,000	380,179,000
Interest on bonds payable	82,235,996	55,746,689
	<u>\$ 252,235,996</u>	<u>435,925,689</u>
Non-current portion		
Ordinary bonds	\$ 4,097,573,156	4,660,921,959
Valuation amortized cost	(16,994,005)	(22,414,201)
UVR adjustment	117,331,856	63,903,790
	<u>\$ 4,197,911,007</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)	(257,298,254)	(637,477,254)
Interest through profit or loss	56,035,194	276,483,132	332,518,326
Capitalized interest	-	9,354,933	9,354,933
Exchange difference	(34,722,305)	-	(34,722,305)
Non-derivative hedges through OCI	(146,152,678)	-	(146,152,678)
Translation adjustments	(209,660,752)	(2,050,504)	(211,711,256)
Balance as of September 30, 2023	<u>\$ 4,367,911,007</u>	<u>82,235,996</u>	<u>4,450,147,003</u>

Bonds issued by the Company and its subsidiaries in the local market are long-term, have an AAA risk rating and pay interest quarterly in arrears. The bonds issued in the international market are long-term, have a BBB- risk rating and pay interest in arrears.

As a result of the international bond issue, Promigas and Gases del Pacífico S.A.C. must comply with the agreements subscribed in the structuring of the bonds, which are detailed in article 4- Covenants of the original contract dated October 16, 2019.

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Among such covenants is the following:

Sending quarterly (unaudited) and annual (audited) financial statements to USBANK

So long as the debt exists, Promigas shall, within 90 days after the end of each quarter and 120 days after the end of each fiscal year, provide to the trustee copies of an unaudited (with respect to the quarter) or audited (with respect to the fiscal year) consolidated balance sheet, consolidated statement of income and consolidated statement of cash flows of Promigas, prepared in a form substantially similar to the financial statement included in the offering memorandum prepared in accordance with Colombian IFRS and presented in English. The audited information provided in connection with the annual financial statements will also include a report thereon by independent certified public accountants. The receipt of such reports by the trustee shall not constitute actual or constructive notice of the information contained therein, including Promigas' compliance with any of its covenants under this agreement.

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

Issuer	Series	Term in years	September 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:

	September 2023			December 2022		
	Third parties	Related parties	Total	Third parties	Related parties	Total
Current portion						
Domestic goods and services	375,817,826	6,511,639	382,329,465	521,670,398	7,234,891	528,905,289
Foreign goods and services	\$ 91,184,972	-	91,184,972	87,352,242	-	87,352,242
Payables	21,719,390	39,385	21,758,775	31,080,140	24,084,046	55,164,186
Dividends payable (1)	129,093,830	88,716,635	217,810,465	-	79,774,236	79,774,236
Hedges payable	752,223	-	752,223	681,890	18,757	700,647
Allocated subsidies payable	181,892	-	181,892	99,925	-	99,925
	<u>\$ 618,750,133</u>	<u>95,267,659</u>	<u>714,017,792</u>	<u>640,884,595</u>	<u>111,111,930</u>	<u>751,996,525</u>
Non-current portion						
Creditors	25,289,434	-	25,289,434	29,743,502	-	29,743,502
	<u>25,289,434</u>	<u>-</u>	<u>25,289,434</u>	<u>29,743,502</u>	<u>-</u>	<u>29,743,502</u>

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

	September 2023
Opening balance	\$ 79,774,236
Dividends declared	644,473,998
Cash dividends paid	(497,896,827)
Transfer of withholdings tax on dividends declared to shareholders	(6,634,110)
Dividend withholding taxes transferred to shareholders	(1,906,832)
Closing balance (a)	<u>\$ 217,810,465</u>

(a) Dividends payable are as follows:

	September 2023	December 2022
Corficolombiana S.A.	\$ 68,062,163	27,304,007
EEB Gas S.A.S.	29,741,663	11,931,248
CFC Gas Holding S.A.	20,654,742	8,285,806
Amalfi S.A.S.	15,593,838	6,255,667
Consultoría de Inversiones S.A.	10,292,459	4,128,951
Other ⁽¹⁾	73,465,600	21,868,557
	<u>\$ 217,810,465</u>	<u>79,774,236</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:

	September 2023	December 2022
Current portion		
Severance and interest on severance	\$ 8,457,661	8,199,050
Vacation leaves	12,069,093	10,070,070
Service bonuses	3,102,444	-
Extra-legal benefits	2,932,577	1,632,343
Other salaries and benefits	4,551,342	5,167,331
	<u>\$ 31,113,117</u>	<u>25,068,794</u>
Non-current portion		
Post-employment benefits - Severance previous law	\$ 21,572	49,381
Post-employment benefits - Pensions	553,323	573,002
Long-term benefits	1,897,338	1,922,381
	<u>\$ 2,472,233</u>	<u>2,544,764</u>

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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.

Below is a breakdown of the provisions:

	September 2023	December 2022
Current portion		
Decommissioning and restoration costs	1,880,240	1,891,612
Pipeline inspection	12,602,449	21,544,773
Social management	3,674,740	2,389,743
Environmental compensation	11,780,549	14,552,816
Asset replacement	38,970,538	73,517,060
	<u>68,908,516</u>	<u>113,896,004</u>
Non-current portion		
Administrative	15,385,088	13,602,585
Labor	3,244,120	2,960,183
Civil	852,079	1,783,156
Decommissioning and restoration costs	40,627,998	36,681,556
Pipeline inspection	12,459,468	8,788,088
Environmental compensation	42,983,847	42,496,882
Asset replacement	164,946,283	174,639,473
Implicit obligations credit quotas	350,531	357,686
	<u>280,849,414</u>	<u>281,309,609</u>

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

	Administrative	Labor	Civil	Decommissioning and restoration costs (1)	Pipeline inspection	Social managem ent	Environmental compensation (2)	Asset replacement (3)	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	1,326,353	-	-	-	-	-	-	-	-	1,326,353
Addition existing provisions charged to expense	2,102,908	739,513	-	-	-	-	-	-	(7,155)	2,835,266
Addition capitalized provisions	-	-	-	708,372	-	2,579,801	2,726,000	-	-	6,014,173
Addition existing provisions charged to cost	-	-	-	-	3,671,380	-	-	23,743,406	-	27,414,786
Readjustment existing provisions charged to income	-	-	-	3,238,071	-	-	3,577,054	7,900,188	-	14,715,313
Use of provisions	(194,441)	(134,193)	(782,047)	(11,373)	(8,942,324)	(1,004,901)	(8,396,976)	(43,116,896)	-	(62,583,151)
Reinstatement of provisions	(1,180,502)	(321,383)	(149,030)	-	-	-	-	-	-	(1,650,915)
Transfer investment plan commitment	-	-	-	-	-	-	-	(19,495,323)	-	(19,495,323)
Translation adjustments	(271,815)	-	-	-	-	(289,903)	(191,380)	(13,271,087)	-	(14,024,185)
Balance as of September 30, 2023	<u>15,385,088</u>	<u>3,244,120</u>	<u>852,079</u>	<u>42,508,238</u>	<u>25,061,917</u>	<u>3,674,740</u>	<u>54,764,396</u>	<u>203,916,821</u>	<u>350,531</u>	<u>349,757,930</u>
Current portion	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,880,240</u>	<u>12,602,449</u>	<u>3,674,740</u>	<u>11,780,549</u>	<u>38,970,538</u>	<u>-</u>	<u>68,908,516</u>
Non-current portion	<u>15,385,088</u>	<u>3,244,120</u>	<u>852,079</u>	<u>40,627,998</u>	<u>12,459,468</u>	<u>-</u>	<u>42,983,847</u>	<u>164,946,283</u>	<u>350,531</u>	<u>280,849,414</u>

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- (1) The company recognizes a provision for dismantling of compressor stations considering that the useful life of its components is less than the useful life of the concession and these can be moved from one place to another according to operating requirements. An estimate is also recorded for the dismantling of deteriorated infrastructure for which there is a replacement plan; the latter is not frequent; however, when the need arises, it is analyzed and documented.
- (2) 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.
- (3) 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:

	September 2023	December 2022
Receivables in favor of third parties	\$ 33,874,219	26,014,456
Withholdings and self-withholdings	33,410,788	28,964,063
Industry and trade tax withholdings payable	1,526,428	3,174,987
Other taxes and contributions payable	25,205,118	27,155,446
Value added tax payable	1,279,242	4,614,076
Deposits received from third parties	43,078,774	63,723,053
Income received in advance (1)	34,068,853	33,988,167
	<u>\$ 172,443,422</u>	<u>187,634,248</u>

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

	September 2023	
Opening balance	\$	33,988,167
Advances received during the period		58,031,864
Refunds to customers		(3,369)
Revenue recognition		(57,619,138)
Translation adjustments		(100,656)
Other		(228,015)
Closing balance	\$	<u>34,068,853</u>

21. EQUITY

Subscribed and Paid-in Capital – As of September 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:

	September 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:

	September 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.

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Other reserves – Corresponds mainly to reserves constituted by the recognition of the valuation of the financial asset generated by the obligation to sell the assets generated within the concession contract with the Colombian State. This profit will be effectively realized when the State exercises the option to purchase them.

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>September 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
Date of payment		June 21, 2023 and September 21, 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>September 2023</u>	<u>December 2022</u>
Fair value of equity instruments and debt securities held for collection and sale	20,339,988	20,973,265
Translation adjustment	126,491,615	357,311,386
Hedging transactions	(142,047,769)	(288,093,148)
Employee benefits	1,038,592	1,038,592
Deferred income tax	33,258,171	77,467,460
Equity in income of associates	295,844,583	392,240,178
	<u>\$ 334,925,180</u>	<u>560,937,733</u>

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22. NON-CONTROLLING INTEREST

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

Company	Equity interest				Profits interest	
	%	September 2023	%	December 2022	September 2023	September 2022
Surtigas S.A. E.S.P.	0.01%	95,043	0.01%	89,212	10,749	10,357
Transoccidente S.A. E.S.P.	21.00%	2,622,114	21.00%	2,579,088	751,728	531,594
Promioriente S.A. E.S.P.	26.73%	127,443,690	26.73%	118,330,327	40,389,665	27,528,665
Transmetano E.S.P. S.A.	0.33%	840,401	0.33%	791,233	183,667	168,684
Gases de Occidente S.A. E.S.P.	5.57%	24,475,357	5.57%	24,461,000	5,248,571	5,859,753
Zonagen S.A.S.	0.05%	(1,554)	0.05%	(697)	(790)	(311)
Sociedad Portuaria El Cayao S.A. E.S.P.	49.00%	165,830,945	49.00%	183,531,735	32,174,975	16,491,817
		<u>321,305,996</u>		<u>329,781,898</u>	<u>78,758,565</u>	<u>50,590,559</u>

23. REVENUE

The following is a breakdown of revenue:

	For nine-month periods ended:		For three-month periods ended:	
	September 2023	September 2022	September 2023	September 2022
Revenue from contracts with customers				
Natural gas transportation and distribution (1)	\$ 3,020,618,854	2,789,524,942	1,036,668,402	976,492,226
Energy distribution and trading (2)	511,234,677	464,264,722	179,995,131	161,240,423
Installations and technical services	265,656,869	197,307,263	110,500,597	78,458,438
Back-office services	2,713,658	1,781,885	688,305	1,085,146
Other services	123,542,097	91,192,880	37,648,978	29,293,526
	<u>3,923,766,155</u>	<u>3,544,071,692</u>	<u>1,365,501,413</u>	<u>1,246,569,759</u>
Revenue from domestic concession contracts	95,999,802	118,966,095	45,844,449	44,399,903
Revenue from foreign concession contracts (3)	241,659,730	436,190,502	89,485,768	131,645,749
Concession revenue (See note 11)	337,659,532	555,156,597	135,330,217	176,045,652
Total revenue from contracts with customers (4)	<u>4,261,425,687</u>	<u>4,099,228,289</u>	<u>1,500,831,630</u>	<u>1,422,615,411</u>
Other revenue				
Lease agreements	206,148,845	166,584,760	61,558,878	58,926,397
Non-bank financing	239,249,615	130,248,738	83,021,712	49,724,358
Income from income hedges	4,048,453	1,057,720	2,551,135	(875,187)
Total other revenue	<u>449,446,913</u>	<u>297,891,218</u>	<u>147,131,725</u>	<u>107,775,568</u>
Total revenue	\$ <u>4,710,872,600</u>	<u>4,397,119,507</u>	<u>1,647,963,355</u>	<u>1,530,390,979</u>

- (1) The variation in revenues corresponds mainly to an increase in transmission and distribution tariffs, the increase in consumption in the industries in the distribution segment, generated by the El Niño phenomenon and, in the case of Peru, by the fishing season.
- (2) The variation in income is mainly due to the increase in energy tariffs as a result of seasonal weather conditions.

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- (3) The reduction in income corresponds mainly to the significant progress in the construction of gas pipelines in compliance with the obligations to expand gas transportation and distribution infrastructure contracted with the Peruvian government through the concession contract.
- (4) The amount of income received in advance that was recognized in income as of September 30, 2023, is included in the movement in note 20.

24. COST OF SALES AND SERVICES RENDERED

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

	For nine-month periods ended:		For three-month periods ended:	
	September 2023	September 2022	September 2023	September 2022
Employee benefits	\$ 216,310,688	142,905,505	71,648,798	49,957,667
Maintenance and materials	183,551,881	154,984,270	65,845,124	61,077,994
Fees and consulting services	33,606,876	26,734,351	12,690,327	10,195,994
General expenses	2,192,221,624	1,901,699,874	754,105,473	696,486,196
Impairments	193,115	2,059	177,795	-
Result of cost hedges	13,383,191	(4,376,629)	4,919,944	(4,259,815)
Concession construction (1) (See note 11)	215,490,614	314,246,548	87,034,209	101,639,255
Taxes	29,339,229	25,465,418	6,603,542	6,604,731
Depreciation and amortization	253,147,888	220,064,053	86,297,001	75,527,895
	<u>\$ 3,137,245,106</u>	<u>2,781,725,449</u>	<u>1,089,322,213</u>	<u>997,229,917</u>

- (1) The decrease in costs is primarily attributed to a reduction in gas pipeline construction, a result of meeting the obligations for expanding gas transportation and distribution infrastructure as stipulated in the concession contract with the Peruvian government.

25. ADMINISTRATIVE AND SELLING EXPENSES

The following is a breakdown of administrative and selling expenses:

	For nine-month periods ended:		For three-month periods ended:	
	September 2023	September 2022	September 2023	September 2022
Employee benefits	\$ 97,788,693	109,249,723	31,784,148	38,475,353
Fees	62,426,333	41,348,151	20,622,597	16,132,722
Maintenance and materials	16,366,169	15,365,866	4,162,713	5,035,908
General administrative expenses	117,961,128	89,954,107	37,274,957	30,752,315
Provisions	2,510,704	1,252,826	1,700,254	866,121
Administrative taxes	64,132,475	48,367,356	20,318,950	15,699,671
Depreciation and amortization	23,913,239	24,338,661	7,990,647	8,954,199
	<u>385,098,741</u>	<u>329,876,690</u>	<u>123,854,266</u>	<u>115,916,289</u>

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26. OTHER, NET

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

	For nine-month periods ended:		For three-month periods ended:	
	September 2023	September 2022	September 2023	September 2022
Leases	\$ 706,229	611,616	197,335	210,576
Fees	12	906,490	-	157,703
Gain on sale of assets	728,569	5,231,588	75	-
Compensation (1)	78,086,104	46,651,639	777,882	17,251,659
Profits	13,596,467	8,556,892	2,457,481	3,057,412
Donations	\$ (14,875,992)	(13,094,265)	(7,084,868)	(5,146,728)
Loss on sale of assets	(250)	(1,663)	-	(527)
Loss on disposal of assets	(4,635,665)	(3,650,644)	(1,174,413)	(2,170,824)
Other	(1,112,834)	(613,295)	(157,244)	(102,345)
Other, net	<u>72,492,640</u>	<u>44,598,358</u>	<u>(4,983,752)</u>	<u>13,256,926</u>

- (1) Compensations recognized as of September 30, 2023, correspond mainly to the compensation for loss of profits and consequential damages received by Promioriente S.A. E.S.P. in the amount of \$74,348,000 (September 2022: \$31,500,000) 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 S.A. E.S.P. 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 nine-month periods ended:		For three-month periods ended:	
	September 2023	September 2022	September 2023	September 2022
Interest and yields (1)	\$ 143,893,325	30,026,871	38,122,264	13,814,870
Income from financial assets concession	247,106,472	210,544,408	76,578,701	68,207,029
Other	12,468,521	6,267,713	4,320,807	2,308,387
	<u>403,468,318</u>	<u>246,838,992</u>	<u>119,021,772</u>	<u>84,330,286</u>

- (1) The increase in interest and yields is mainly due to the increase in fixed income investments and an increase in the interest rate established by Banco de la República, which has resulted in higher income in collective investment funds, Certificates of Deposit (CDs), and fixed income investments of the companies.

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28. FINANCE COSTS

The following is a breakdown of finance costs:

	For nine-month periods ended:		For three-month periods ended:	
	September 2023	September 2022	September 2023	September 2022
Interest on bonds and securities issued (1)	293,411,380	254,945,824	94,008,001	93,609,885
Interest on financial obligations (2)	355,961,960	74,537,665	113,581,222	34,590,042
Interest on lease agreements	53,804,198	54,462,589	16,290,521	18,964,998
Other finance costs	22,623,003	25,433,654	7,378,892	5,901,583
	<u>725,800,541</u>	<u>409,379,732</u>	<u>231,258,636</u>	<u>153,066,508</u>

- (1) The increase in interest is primarily due to the rise in the variable factor, mainly the Real Value Unit (UVR) of the 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 nine-month periods ended:		For three-month periods ended:	
	September 2023	September 2022	September 2023	September 2022
Exchange difference caused	8,678,346	6,302,310	6,438,647	4,180,063
Realized exchange difference	5,807,896	(4,881,088)	309,861	(766,870)
Result of exchange rate hedges	(928,003)	(3,145,930)	1,521,462	(3,184,989)
	<u>13,558,239</u>	<u>(1,724,708)</u>	<u>8,269,970</u>	<u>228,204</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 Company, transactions between economic related parties are defined as any economic event entered into with the controlling company's shareholders and entities.

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- 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 nine-month periods ended September 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 September 30, 2023, with its shareholders, members of the Board of Directors, administrators, associated companies and other related entities:

	Shareholders	Associates	Other related parties	Total
September 30, 2023				
Assets				
Cash	\$ 8,707,770	-	231,865,236	240,573,006
Investments in associates	-	924,395,718	119,700,000	1,044,095,718
Financial assets at amortized cost	407,443	73,388,365	562,538	74,358,346
	<u>\$ 9,115,213</u>	<u>997,784,083</u>	<u>352,127,774</u>	<u>1,359,027,070</u>
Liabilities				
Accounts payable	88,747,149	6,156,986	689,738	95,593,873
Bonds outstanding	82,988,608	-	-	82,988,608
	<u>\$ 171,735,757</u>	<u>6,156,986</u>	<u>689,738</u>	<u>178,582,481</u>
Income				
Revenue	334,972	94,849,472	2,011,622	97,196,066
Finance income	859,816	1,200,363	28,398,588	30,458,767
Share of profit of equity-accounted	-	229,903,997	-	229,903,997
Other, net	-	2,448	-	2,448
	<u>\$ 1,194,788</u>	<u>325,956,280</u>	<u>30,410,210</u>	<u>357,561,278</u>
Expenses				
Cost of sales and services rendered	\$ 1,502,914	71,975,344	1,160,769	74,639,027
Administrative and selling expenses	-	14,805	1,192,285	1,207,090
Financial expenses	2,940,094	-	-	2,940,094
	<u>\$ 4,443,008</u>	<u>71,990,149</u>	<u>2,353,054</u>	<u>78,786,211</u>

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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.

As of September 30, 2023, the Company's management believes that there are no significant loss risks associated with the execution of these contracts and commitments.

Bank loan guarantees: As of September 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:

<u>Company</u>	<u>Equivalent amount in USD</u>
	USD
Gases del Pacifico S.A.C.	135,222,931
Gases del Norte del Perú S.A.C.	119,240,651

Promigas Peru debt for a total equivalent to USD 28,723,027, via intercompany Gases del Pacifico and Gases del Norte.

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Below is a breakdown of the obligations guaranteed by Promigas:

Company	Start	End	Currency	Rate	Spread	Term Interest	Principal Amort.	New balance
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	SOFR	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
GDP	5/07/2023	6/07/2026	USD	SOFR	3.25%	Quarterly	Bullet	3,000,000
GDP	15/09/2023	15/09/2028	USD	SOFR	4%	Quarterly	Bullet	4,000,000
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
GNOR	24/07/2023	24/07/2026	USD	SOFR	3.23%	Quarterly	Bullet	3,000,000
GNOR	4/08/2023	4/08/2028	USD	SOFR	3.75%	Quarterly	Bullet	4,000,000
GNOR	14/09/2023	14/09/2028	USD	SOFR	4.00%	Quarterly	Bullet	5,000,000
								482,626,526

Note: the conversion rate used for the debt in soles at the end of September is PEN/USD 3,797.

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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

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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.

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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 September 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:

	September 2023	
	Number of Claims	Value
<i>Litigations and lawsuits against</i>		
Easement claims:		
From \$1 to \$1.000	15	2,985,304
From \$1,001 onward	4	9,475,639
Easement	<u>19</u>	<u>12,460,943</u>
Ordinary processes:		
From \$1 to \$1,000	31	8,350,182
From \$1,001 to \$3,000	11	18,662,500
From \$3,001 onward	6	28,025,469
Ordinary	<u>48</u>	<u>55,038,151</u>
Labor	<u>108</u>	<u>9,229,726</u>
Total processes	<u>175</u>	<u>76,728,820</u>
<i>Contingency rights</i>		
Contingency rights	7	7,195,807
Litigations and lawsuits	167	85,927,337
Total	<u>174</u>	<u>93,123,144</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.

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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.

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

September 30, 2023	Gas transportation	Gas distribution			Power distribution and sale	Integrated solutions for the industry	Non-bank financing	Total
		National	Abroad	Total				
Total assets	\$ 9,007,016,500	2,429,160,661	4,220,793,161	6,649,953,822	759,621,658	135,600,897	886,447,072	17,438,639,949
Total liabilities	\$ 6,596,852,161	1,663,202,493	2,515,049,588	4,178,252,081	634,293,667	56,301,075	17,393,567	11,483,092,551
Contracts with customers	\$ 997,911,421	2,043,310,535	310,993,468	2,354,304,003	504,814,369	66,891,371	(155,009)	3,923,766,155
Income from construction of concessions	79,645,618	16,354,184	241,659,730	258,013,914	-	-	-	337,659,532
Other revenue	180,917,574	171,586	-	171,586	7,845,374	21,262,764	239,249,615	449,446,913
Total revenue	1,258,474,613	2,059,836,305	552,653,198	2,612,489,503	512,659,743	88,154,135	239,094,606	4,710,872,600
Cost of sales and services rendered	(417,799,842)	(1,713,257,441)	(227,528,813)	(1,940,786,254)	(425,493,655)	(43,198,743)	(94,475,998)	(2,921,754,492)
Cost of concession construction	(64,225,919)	(10,043,373)	(141,221,322)	(151,264,695)	-	-	-	(215,490,614)
Total cost of sales and services rendered	(482,025,761)	(1,723,300,814)	(368,750,135)	(2,092,050,949)	(425,493,655)	(43,198,743)	(94,475,998)	(3,137,245,106)
Gross profit	776,448,852	336,535,491	183,903,063	520,438,554	87,166,088	44,955,392	144,618,608	1,573,627,494
Administrative and selling expenses	(177,793,176)	(102,760,919)	(60,264,114)	(163,025,033)	(36,259,071)	(7,511,536)	(509,925)	(385,098,741)
Share of profit of equity-accounted	(131,107)	89,129,383	140,905,721	230,035,104	-	-	-	229,903,997
Dividends received	-	1,198,396	-	1,198,396	-	-	-	1,198,396
Impairment for expected credit losses	236,762	(23,583,229)	(7,250,039)	(30,833,268)	(11,786,909)	108,575	(24,583,137)	(66,857,977)
Other, net	71,966,562	95,065,752	(10,494,062)	84,571,690	(6,810,512)	(4,732,141)	(72,502,959)	72,492,640
Operating income (loss)	670,727,893	395,584,874	246,800,569	642,385,443	32,309,596	32,820,290	47,022,587	1,425,265,809
Finance income	300,731,621	67,310,038	18,961,367	86,271,405	11,211,045	1,141,130	4,113,117	403,468,318
Interest expense	(501,629,945)	(88,864,829)	(105,698,346)	(194,563,175)	(27,316,270)	(2,291,151)	-	(725,800,541)
Foreign exchange difference, net	38,046,752	(1,186,093)	(20,406,910)	(21,593,003)	58,871	(30,002,968)	(67,891)	(13,558,239)
Income before income tax	(162,851,572)	(22,740,884)	(107,143,889)	(129,884,773)	(16,046,354)	(31,152,989)	4,045,226	(335,890,462)
Total financial cost, net	507,876,321	372,843,990	139,656,680	512,500,670	16,263,242	1,667,301	51,067,813	1,089,375,347
Income taxes	(137,744,433)	(56,381,158)	(11,819,309)	(68,200,467)	(9,229,704)	(3,328,814)	(38,770,248)	(257,273,666)
Net income	\$ 370,131,888	316,462,832	127,837,371	444,300,203	7,033,538	(1,661,513)	12,297,565	832,101,681

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34. EVENTS OCCURRED AFTER THE REPORTING PERIOD

No subsequent events were identified after the close of September 30, 2023, that would impact the condensed consolidated financial statements for the reporting period between September 30, 2023, and November 10, 2023, the date the financial statements were authorized for issue.