

# CORPORATE RESULTS PRESENTATION Q2 2022



## 1. RELEVANT FACTS 2Q 2022

---

### **Accumulated consolidated results**

EBITDA increased by 19% compared to the same period in 2021 (COP \$1,174,183 MM vs. \$984.073 MM COP). Likewise, the net profit increased by 10% vs. the first semester of 2021 (\$659,148 M COP vs. \$597,601 COP).

### **Energy solutions**

We are partners for our customers' energy transformation, offering integrated and sustainable renewable energy and energy efficiency solutions. We have reached 42.4 MW, of which 27.1 MW are solar and 15,3 MW are auto- and co-generation. Additionally, we service 42 MW for third parties, providing operation and maintenance services.

### **Partnership with Sumitomo Corporation**

We signed a memorandum of understanding with one of Japan's top business conglomerates to explore and develop the market for electric mobility with hydrogen in Colombia and Peru.

### **Natural gas distribution**

As of June 30, Gases del Norte de Perú reported 90% completion of construction of the Piura Project. Service started up in July.

### **Investor Day 2022**

We held the second edition of the Investor Day in New York, led by our CEO Juan Manuel Rojas, accompanied by our Vice Presidents Ricardo Fernández, Aquiles Mercado, Natalia Abello, Alejandro Villalba and Wilson Chinchilla. During the event, we presented the results of the first quarter of 2022 (1Q-2022); then, our leaders spoke about Colombia's natural gas reserves, the transmission and distribution of natural gas and electric power in Colombia and Peru, and general aspects related to the environment, sustainability and governance (ESG).

### **Credit Ratings Confirmed during the Period**

Fitch Ratings ratified the AAA rating for our subsidiary, Surtigas.


OPERATIONAL RESULTS OF THE PERIOD BY BUSINESS – ACCUMULATED TO JUNE 2022

## TRANSMISSION OF GAS, LNG AND SERVICES

 NATURAL GAS	Gaspipeline Network	Transportation Capacity	Volume transported	Contracted capacity
	<b>3,288 KM</b> Δ0%	<b>1,153 MMCFD</b> Δ0%	<b>472 MMCFD</b> Δ7%	<b>867 MMCFD</b> Δ0%
 LNG	Regasification capacity	Regasified volume	Days regasified	Average regasification
	<b>400 MMCFD</b> Δ0%	<b>348 MMCFD</b> Δ-56%	<b>14</b> Δ-39%	<b>25 MMCFD</b> Δ-28%
 INDUSTRY SOLUTIONS	Gas treatment capacity	Construction of gas pipelines	Gas pipeline maintenance	
	<b>35 MMCFD</b> Δ0%	<b>21 KM</b>	<b>2,756 KM</b> Δ0%	

Variations (Δ) correspond to 2022 vs 2021  
MM: Millions

## DISTRIBUTION OF GAS AND ELECTRIC POWER

	Colombia	Peru	Total	
 NATURAL GAS	Users	<b>4.06 MM</b> Δ4%	<b>1.63 MM</b> Δ25%	<b>5.69 MM</b> Δ9%
	Towns served	<b>897</b> Δ1%	<b>66</b> Δ12%	<b>963</b> Δ2%
Network laid	<b>50,922 KM</b> Δ1%	<b>18,595 KM</b> Δ14%	<b>69,517 KM</b> Δ4%	
Gas sold	<b>2,022 Mm<sup>3</sup></b> Δ8%	<b>3,967 Mm<sup>3</sup></b> Δ3%	<b>5,989 Mm<sup>3</sup></b> Δ4%	

 ELECTRIC POWER	Accumulated users	Losses	Networks laid
	<b>430,762</b> Δ3%	<b>14.5%</b> Δ17%	<b>28,718 KM</b> Δ1%
Energy demand	<b>512 GWh</b> Δ7%		

Variations (Δ) correspond to 2022 vs 2021  
MM: Millions

## NON-BANK FINANCING

 NON-BANK FINANCING	Users	Portfolio	Placement
	<b>767 K</b>	<b>\$ 1.49 Bn</b> Δ27%	<b>\$483,250 MM</b> Δ6%

## ENERGY SOLUTIONS

 ENERGY SOLUTIONS	Installed capacity	O&M	Energy sales
	<b>42.4 MW</b> Solar: 27.1 MW Auto/ co-generation: 15.3 MW	<b>42 MW</b>	<b>20.5 GWh</b> Solar: 9.4 GWh Auto/ co-generation: 11.1 GWh

## 2. CONSOLIDATED FINANCIAL STATEMENTS

### PROMIGAS PROFIT AND LOSS STATEMENT: 2Q 2022 – 2Q 2021



<sup>1</sup> Revenues from ordinary activities + Revenues from national concession construction contracts + Revenues from concession construction contracts abroad.

<sup>2</sup> Revenues from ordinary activities – Cost of sales – Administrative and sales expenses + Depreciation, Amortization, provisions and impairment + Share of profits of associates + Dividends received + Others, net.

\*Revenues from ordinary activities from contracts with customers

#### Revenues (▲11%)

##### Operating Revenues:

- **Promigas:** increase due to the higher exchange rate used for invoicing in 2022 (COP \$3,971 in 2022 vs COP \$3,689 in 2021).
- **Surtigas:** increase in the commercialization business thanks to consumption by the non-regulated industry and better results of the FNB business.
- **Promigas Perú:** Higher revenues in the industrial business, in line with greater volumes and management services.
- **GdO:** increase thanks to improved results in the distribution business, due to an increase in the number of industrial customers.
- **Promisol:** profit for sales of the inter-connection lines to Hocol, higher gross profit in treatment due to retroactive payment from the customer Hocol, because 2 months had been invoiced without the increase in the PPI, and higher profit in the construction business.

#### EBITDA (▲2%)

The increase in EBITDA is mainly due to improved revenues from the portfolio, which were partly offset by higher costs and expenses related to the normalization of activities and the organic growth of operating activities of the companies in the portfolio.

### Net Income (Δ-10%)

The bottom line of our financial statements reflects the combined effect of the growth in EBITDA; offset by higher financial expenses arising from higher debt balances and higher interest rates, and higher income taxes due to the change in tax rates.

## PROMIGAS PROFIT AND LOSS STATEMENT: Accumulated 2022 – Accumulated 2021

### Accumulated 2022 – Accumulated 2021



Figures in millions of pesos

<sup>1</sup> Revenues from ordinary activities + Revenues from national concession construction contracts + Revenues from concession construction contracts abroad.

<sup>2</sup> Revenues from ordinary activities – Cost of sales – Administrative and sales expenses + Depreciation, Amortization, provisions and impairment + Share of profits of associates + Dividends received + Others, net.

\*Revenues from ordinary activities from contracts with customers

### Revenues (Δ19%)

Revenues from Ordinary Activities (23%): The increase reflects the results of the following companies:

- **Promigas**: the increase is due to the higher average exchange rate in June 2022 vs 2021 (+COP 371), and invoicing to Ecopetrol due to early termination of the gas transportation contract of 90 MMCFD and higher transported volumes.
- **Promioriente**: revenues increased due to an indemnity received in January from the insurer for COP \$17,500 MM, for lost profits related to an emergency that took place between August 3 and November 15, 2021 in the Gibraltar Chitangá section.
- **Transmetano**: the increase is due to higher transportation revenues, financial assets, lower costs and expenses and recognition of indemnity of Vinus for COP \$8,700 MM.
- **GDO (Peru)**: net income grew thanks to improved results of the natural gas business related to higher volumes and FNB from higher placement.

### EBITDA (Δ19%)

Increase in EBITDA arising mainly from greater operating revenues and greater income from the participation method:

- **Cálidda:** the increase is due to improved gross profits of the distribution businesses, and installations due to a greater number of connected users.
- **Gases del Caribe:** higher gross profits in the distribution business and FNB, combined with improved results at Efigas and La Guajira through the participation method.

The above was partially offset by higher costs and expenses arising from the normalization of activities and the organic growth of the operating activities of the companies in the portfolio.

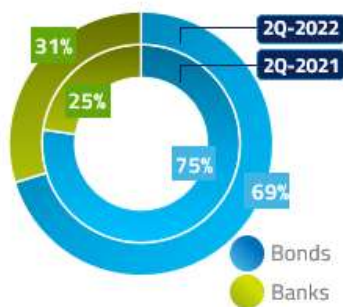
#### **Net Income ( $\Delta 10\%$ )**

The bottom line of our financial statements reflects the effects of the higher EBITDA. The above was partially offset by higher financial expenses due to a larger debt balance and higher interest rates, as well as a higher income tax due to higher pre-tax income from the good results obtained and the change in the tax rate.

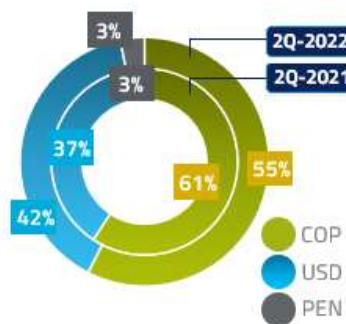
### DEBT – CONSOLIDATED

Lastly, in our consolidated financial statements, as of June 2022, we reported consolidated debt of COP \$6.97 Bn, equivalent to an 11% increase compared to June 2021. The average cost of debt was 8.08%, compared to 4.63% in the same period last year. The graphs below display details of the debt percentages by product, currency and company.

**Debt by product**



**Debt by currency**



**Debt by company**

	2021	2022
PROMIGAS	55.54%	50.07%
QUAVII	20.25%	22.66%
GDO	8.56%	7.55%
SURTIGAS	5.50%	5.99%
SPEC	4.53%	3.83%
PROMIORIENTE	3.27%	3.01%
CEO	1.95%	2.68%
GASNORP	0.00%	3.91%
TRANSMETANO	0.41%	0.30%

Interest Rate	% Debt
Fixed Rate	36%
IPC	29%
IBR	16%
Libor	8%
UVR	7%
SOFR	3%
DTF	1%

### 3. INDIVIDUAL FINANCIAL STATEMENTS

#### PROMIGAS PROFIT AND LOSS STATEMENT: 2Q 2022 – 2Q 2021



<sup>1</sup>Revenues from ordinary activities + Revenues from national concession construction contracts.

<sup>2</sup>Revenues from ordinary activities – Cost of sales – Administrative and sales expenses + Depreciation, amortization, provisions and impairment + Share of profits of controlled companies + Share of profits of associates + Others, net.

\*Revenues from ordinary activities from contracts with customers.

#### Revenues of COP \$262,533 MM (92% of Budget)

Operating Revenues (14%): This item increased due to the higher exchange rate used for invoicing in 2022 (COP \$3,971 in 2022 vs COP \$3,689 in 2021), together with the greater transported volume, 32 MMCFD, mainly in the thermoelectric sector (82% of the total).

#### EBITDA of COP \$365,691 MM (104% of Budget)

The reduction in EBITDA was due to the decrease in revenues through the participation method in Gasnorp due to the registration of IFRS 15, because of the significant construction progress in 2021. There was growth in the participation method of:

- **Cálidda**: improved results in the distribution and installation business due to a larger number of users connected, as well as a gain in currency exchange difference.
- **GdO**: greater gross profit in the Distribution business.
- **Promisol**: profit for sales of the inter-connection lines to Hocol, higher gross profit in treatment due to retroactive payment from the customer Hocol, because 2 months had been invoiced without the increase in the PPI, and higher profit in the construction business.



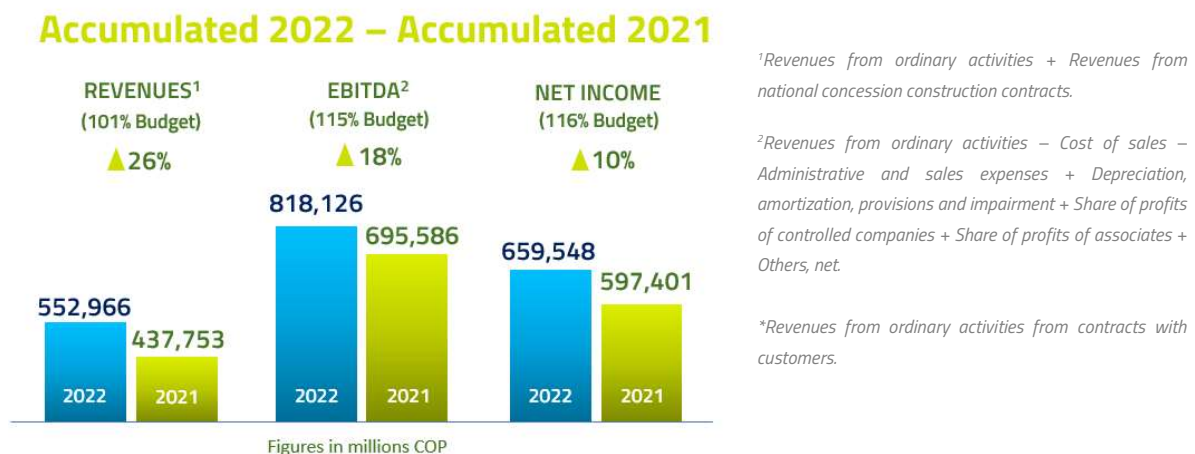
- **SPEC:** Greater Va income due to the higher exchange rate in 2022, despite the effect of the reduction in annual Va revenues due to its treatment as financial asset under IFRS, and the lower cost of Boil Off Gas due to the current inventory levels at FSRU.

The highest costs and expenses were due to the renewal in June of the insurance policy plan, which increased 55%, due to the global behavior of the market that has affected all sectors of the economy. Expenses for travel and public services were normalized due to the return to offices, largely overcome by the 2020-2021 pandemic.

### Net Income of COP \$294,192 MM (106% of Budget)

As the bottom line of our financial statements, this item reflects the impact of the lower EBITDA and income from the participation method and higher costs and expenses already mentioned. In addition to this, a growth in financial expenses is observed due to the higher average debt balance, the upward trend in interest rates and higher CPI (40% of our debt is indexed to this parameter, bonds in COP mainly).

## PROMIGAS PROFIT AND LOSS STATEMENT: Accumulated 2022 – Accumulated 2021



### **Revenues of COP \$552,966 MM (101% of Budget)**

Higher average TRM 2022 vs. 2021 (+\$371), and billing to Ecopetrol for early termination of the gas transportation contract of 90 MMCFD (+\$31,809 MM). The contract was renewed for a capacity close to 70 MMCFD and extended for an additional 13 years. In addition, 24 MMCFD were transported, 96% destined for the needs of the thermoelectric sector.

### **EBITDA of COP \$818,126 MM (115% of Budget)**

Increase in EBITDA generated mainly by higher operating income, a controlled execution of costs and expenses (101%) and higher income accounted for via the participation method, which reflects the results of the companies that make up the Promigas portfolio:

- **Gasnorp:** higher gross profit in the gas business and higher margin in the concession construction business arising from higher Capex.
- **Cálidda:** growth in the distribution and installation business due to a larger number of users connected, as well as a gain in currency exchange difference.
- **GDP:** improved results in the natural gas business associated with volume, lower accounts receivable provision and lower income tax.
- **GDO:** greater gross profit in the distribution business, which mitigated the impact of higher financial expenses.
- **Gases del Caribe:** greater gross profit in the distribution business and FNB, lower accounts receivable provision and better results at Efigas and La Guajira through the participation method, which offset the higher AO&M and financial expenses.
- **Transmetano:** higher transportation revenues, lower costs and expenses and recognition of Vinus indemnity for COP \$8,700 MM.
- **Promioriente:** revenues increased due to an indemnity received in January from the insurer for COP \$17,500 MM, for lost profits related to an emergency that took place between August 3 and November 15, 2021 in the Gibraltar Chitangá section. It was offset by the higher income tax rate of 35% and the tax on the insurance payment.
- **SPEC:** greater Va income due to the higher exchange rate in 2022, despite the effect of the reduction in annual Va revenues due to its treatment as financial asset under IFRS, and the lower cost of Boil Off Gas due to the current inventory levels at FSRU.

- **Surtigas:** greater gross profit in the commercialization business thanks to consumption by non-regulated industry, improved results of FNB, which offset higher other expenses.
- **CEO:** greater gross profit in the distribution business due to higher rates, which offset higher AO&M and financial expenses.

### **Net Income of COP \$659,548 MM (116% of Budget)**

As the final line of our financial statements, this item accumulates the impact of the increase due to higher EBITDA and operating income and by the participation method, as well as the financial income generated by the disbursement of loans to related companies in the development of our treasury policy. The foregoing was partially reduced by higher financial expenses due to a higher average debt balance, the upward trend in interest rates and higher CPI (40% of our debt is indexed to this parameter, bonds in COP mainly), and higher tax of current income due to higher profit before tax, as a result of the good results obtained and the change in the applied rate that went from 31% to 33% for Promigas in compliance with the provisions of the 2021 tax reform.

### **BALANCE SHEET – June 2022 vs. December 2021**

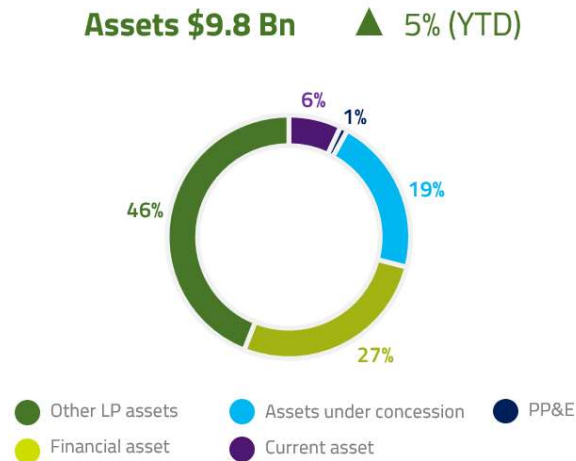
#### **Assets: COP \$9.8 Bn Δ5% (YTD)**

Current assets (56%): The increase arises from the dividends declared by related companies at the shareholder meetings held in March 2022.

Financial assets (4%): This item includes the updating of macroeconomic variables used to assess the financial asset, which involves recognition of the potential account receivable from the Colombian government for the purchase option held by the government on the concession's assets.

Other LT assets (3%): The increase arises due to the greater profits reported by the companies in the portfolio through the participation method, the capitalization of

Gasnorp and adjustments, offset by the dividends declared by the related companies at the shareholder meetings held in March 2022.

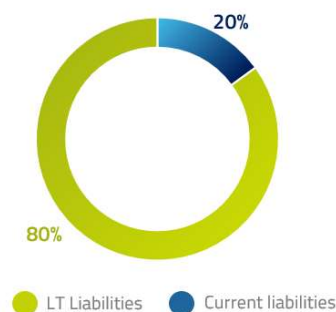


**Liabilities: Δ9% (YTD)**

Current liabilities (120%): The increase is due to the ordinary and extraordinary dividends declared by Promigas at the shareholder meeting held in March 2022, which will be paid during the year, and by the transfer from long-term liabilities of the current portion of two loans that come due in April 2023.

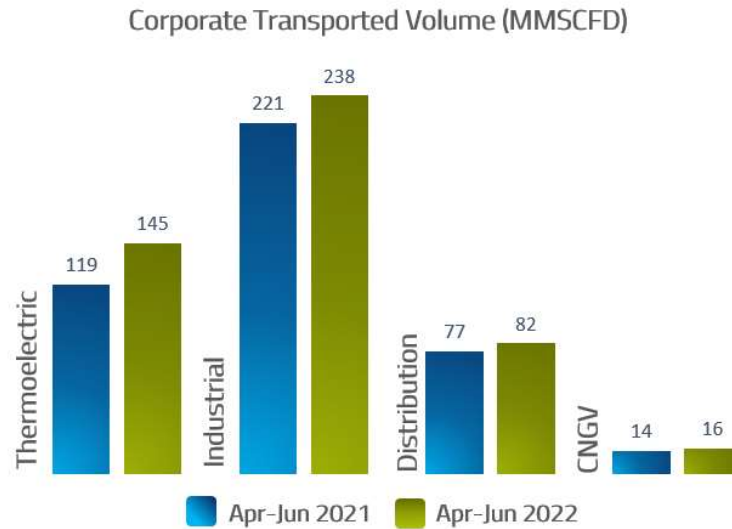
Long-term liabilities (-4%): The reduction is due to the transfer of loans that come due to short-term, which is offset by the increase in dollar-denominated debt due to the higher exchange rate difference as of the reporting date of the financial statements. This difference is naturally hedged through investment assets held abroad, on which the higher exchange rate is also recognized.

**Liabilities \$4.6 Bn** ▲ 8% (YTD)  
**Equity \$5.1 Bn** ▲ 3% (YTD)



## 4. OPERATIONS AND INNOVATION VICE-PRESIDENCY RESULTS - SAFE, EFFICIENT AND RELIABLE OPERATION

We ratify our commitment to excellence in the provision of our services.



- Increase in the industrial sector in Q2-2022 vs Q2-2021 due to higher consumption by the Cartagena refinery and cement plants.
- Increase in the thermoelectric power sector in Q2-2022 vs Q2-2021. Most of the thermal plants in the Atlantic Coast had higher demand for generation.
- Corporate transportation losses below the 1% regulatory limit.
- Service Continuity Index at 100% represents an efficient and reliable operation.





- Service Continuity Index at 100% represents an efficient operation.

### RELEVANT FACTS – INNOVATION

Promigas and the companies in its portfolio believe that innovation is one of the pillars for business growth. It is the bridge that connects the successful businesses of today with a vibrant and sustainable energy industry in the future, in which we will continue to connect energy markets with highly relevant products and services. Below, we highlight some of the recognitions and achievements obtained during the second quarter of 2022:

- Compañía Energética de Occidente (CEO) launched the first prototype of its Smart Distribution Transformer developed jointly with Universidad del Valle. This development will enable reducing non-technical electric power losses, increasing service quality in areas that are difficult to manage and capture more efficiencies in the energy distribution process. Following this milestone, performance testing was initiated, which involves installation and monitoring at selected sites within this company's area of influence.
- Promigas and Sumitomo Corporation signed a memorandum of understanding to explore and develop the market for electric mobility with hydrogen in Colombia and Peru. On May 18 in Tokyo, Japan, the CEOs of both companies exchanged memorandums and formalized the partnership. This agreement represents a milestone in Promigas' plan to become a major player in the hydrogen market. The partnership foresees carrying out studies to determine the opportunities and challenges of the production, distribution, commercialization, and use of hydrogen to power electric vehicles in Colombia.

- A technological and business mission visited Japan with the aim of exploring technologies and opportunities in hydrogen, energy storage systems and new energy solutions for residential and business segments. The agenda included meetings with senior management and the commercial and technical teams of seven companies, which enabled identifying incipient and emerging technologies of potentially significant impact on energy businesses.

## 5. TRANSMISSION SBU RESULTS

Infrastructure at the service of the country's energy grid, driving reliability and safety

### TRANSMISSION SBU REVENUES

<b>Transmission SBU</b> <i>Figures in millions of COP</i>	<b>Apr - Jun 2021</b>	<b>Apr - Jun 2022</b>	<b>Var%</b>	<b>Jan-Jun 2021</b>	<b>Jan-Jun 2022</b>	<b>Var%</b>
Revenues	344,251	400,873	16%	677,237	830,573	23%

*Figures of 100% controlled companies, before eliminations. Does not include concession construction revenues.*

### NATURAL GAS TRANSPORTATION

#### Promigas– Atlantic Coast

At the end of the first quarter of the year, the gas pipelines of Promigas had reached 2,752 km in length in gas pipelines and 951.7 MMCFD of transportation capacity.

#### **Thermoelectric Sector**

<b>Transported Volume by sector (MMCFD)</b>	<b>Apr-Jun 2021</b>	<b>Apr-Jun 2022</b>	<b>Var %</b>	<b>Jan - Jun 2021</b>	<b>Jan - Jun 2022</b>	<b>Var %</b>
Thermoelectric	118.8	144.9	22%	127.7	147.9	16%
Industrial	154.1	157.4	2%	150.6	149.6	-1%
Distribution	33.6	34.6	3%	34.0	35.0	3%
CNGV	8.2	9.5	16%	8.7	9.5	10%
<b>TOTAL</b>	<b>314.8</b>	<b>346.4</b>	<b>10%</b>	<b>321.1</b>	<b>342.1</b>	<b>7%</b>

The increase in thermal power generation and transported volumes were due to reservoir levels at 68%, compared to 73% in the April-June 2021 period, and a 6% increase in electric power demand.

### Non-thermoelectric Sector

The gas for vehicles sector continues a growth trend in consumption, reaching a level of 80% of the gas volumes shipped to this sector before the pandemic.

In the industrial sector, consumption at the Cartagena Refinery stabilized at normal levels after resolving internal technical problems.

### NATURAL GAS TRANSPORTATION – SUBSIDIARIES

#### Transported volume (MMCFD) – Promioriente

At the end of the first quarter of the year, the gas pipelines of Promioriente had reached 335 km in length gas pipelines and 49.9 MMCFD of transportation capacity.

	Apr-Jun	Apr-Jun	Var %	Jan-Jun	Jan-Jun	Var %
	2021	2022		2021	2022	
	35	36	3%	37	36	-3%

Consumption at the Barranca Refinery has increased due to greater use of supplies from Gibraltar. Additionally, starting in June, a non-interruptible contract was signed with Ecopetrol for 2 MMCFD.



Transported volume (MMSCFD) – Transmetano

At the end of the first quarter of the year, the gas pipelines of Transmetano had reached 190 km in length gas pipelines and 77.6 MMCFD of transportation capacity.

	Apr-Jun 2021	Apr-Jun 2022	Var %	Jan-Jun 2021	Jan-Jun 2022	Var %
	50	54	8%	50	54	8%

Transported volume increased thanks to a new contract of the trading company Enel with Pepsico starting in June for 361 Kpcd. It should also be noted that volumes in 2021 were affected by national protests.

Transported volume (MMCFD) – Transoccidente

	Apr-Jun 2021	Apr-Jun 2022	Var %	Jan-Jun 2021	Jan-Jun 2022	Var %
	31	44	42%	35	42	20%

Transoccidente has a firm contract 100-0 with GDO for 100% of capacity, which implies that its revenues do not depend on transportation volumes.

Promisol – Relevant Aspects

We have the capacity to innovate and the necessary tools to assist our customers in each step of implementing their plans and projects, offering them a world of integrated solutions. The following are highlights of the second quarter of 2022:

**Maintenance**

Geo-technical protection works were successfully performed on the main gas pipeline on the banks of Cañas River (La Guajira).

At the end of 2Q-2022, we have achieved a year-to-date fulfillment rate of 99.2% of the maintenance orders served, above the target of 95%.

### Treatment

99.9% availability of the BOMT of the Bonga-Mamey Plant in 2Q-2022.

The quantity of gas delivered was 34.8 MMSCFD, equivalent to growth of 3.2% vs 2Q-2021.

### Construction

75% completion of the Promigas Zona Bananera gas pipeline, on track with the plan, including completion of the PHD crossing over Río Frío.

The change of the coating of 20" pipes on 9.5 km of Promigas gas pipeline began in June (La Guajira).

### SPEC LNG – Backup actor that provides reliability to the electric power generation system

The regasification plant has been in operation for over 5 years and has become the country's energy insurance, because it has always been available when required as back-up for the system. It currently has storage capacity of 170,000 m<sup>3</sup> of LNG, with regasification capacity of 400 MMCFD.

Operational Highlights	Apr-Jun 2021	Apr-Jun 2022	Var %	Jan - Jun 2021	Jan - Jun 2022	Var %
Number of LNG shipments	1	1	0%	1	2	100%
Received LNG (M <sup>3</sup> )	40,514	42,175	4%	40,514	62,693	55%
NG delivered (MMCF)	491	327	-33%	799	348	-56%
Regasified days (no-continuous)	11	13	-18%	23	14	-39%

### **Highlighted aspects:**

- In the second quarter of 2022, hydraulic power generation covered the country's electricity demand with reservoir levels at 68% and rainfall at ~120% compared to the historical average.
- Thermal power generation increased compared to 2021, using local natural gas available in the market, influenced by high prices for LNG.
- Between January and June 2022, the operating availability of SPEC LNG was 100%.

## **REGULATORY ASPECTS**

### **Tariff methodology**

The first tariff application to update charges using the new discount rate and weighting was postponed by CREG until September 1st. In June, CREG initiated the administrative procedures for the overall recalculation of charges in accordance with the rate-setting applications submitted in February 2022.

### **Regulatory useful life processes**

In June 2022, CREG initiated the administrative procedures to adjust charges for assets whose Regulatory Useful Lives expired in 2016, 2017 and 2018, in accordance with Resolution 126/2010.

### **Outcome of the expert report on the Yumbo – Cali gas pipeline**

The Commission published the results of the new expert report prepared by Tipiel, in reply to a motion for reconsideration filed by Transoccidente to CREG Resolution 101/2021, which established a Replacement for New Value (VRAN, for the Spanish original) that was greater than the amount that had been established initially.

## 6. DISTRIBUTION SBU RESULTS

We grow by staying close to our customers, always innovating and taking advantage of our experience to provide high-quality service.

### DISTRIBUTION SBU REVENUES

Distribution SBU <i>Figures in millions of COP</i>	Apr - Jun 2021	Apr - Jun 2022	Var%	Jan-Jun 2021	Jan-Jun 2022	Var%
Revenues	715,498	937,242	31%	1,432,245	1,793,731	25%
Participation Method	66,492	70,060	5%	122,470	146,133	19%

*Figures of 100% controlled companies, before eliminations. Includes Equity Method for Cálidda and Gases del Caribe. Does not include concession construction revenues.*

### RELEVANT ASPECTS - DISTRIBUTION SBU

#### Customer focused

Based on our commitment to the massification of the service in Colombia and Peru, we benefit 6.12 million customers with the well-being produced by natural gas and electric power with the high levels of quality that characterize Promigas. We serve 38% of the users with access to natural gas in Colombia and 94% in Peru. 79% of the gas is sold through the distribution business, and 21% is sold through commercialization.

We also improve customer experience through the progress made in smart metering, with 2,997 prepaid meters and 43,600 smart meters in place, and the penetration of on-site invoicing. In the second quarter of 2022, we reached the BOOT target for the fourth year at Gasnorp, exceeding the rehabilitations in all the districts (187,523 vs 146,887), with execution of 128%.

### Mobility

In terms of mobility, during the second quarter, 43 CNGV-dedicated freight vehicles began to operate in the areas served by Surtigas and GdO, for a year-to-date total of 69 new units in 2022. The above is equivalent to the consumption of 15,800 households (approx. 237,000 m3/month).

Additionally, a record number of vehicles switched over to CNGV in northern Peru, for a total of 803 conversions during the second quarter of 2022. The year-to-date number of conversions totaled 1,305 in 2022.

## ACCUMULATED RESULTS – DISTRIBUTION SBU

### DISTRIBUTION SBU ACCUMULATED RESULTS



**N.G. volume**  
5,989 Mm3  
**Var 4%**



**Electric power demand**  
512 GWh  
**Var 7%**



**Users**  
Accumulated:  
6,119,865  
Gas: 5,689,103  
Electric Power: 430,762  
**Var 9%**  
New 2022: 236,401  
Gas: 229,272  
Electric Power: 7,129



**Towns served**  
1,001  
**Var 2%**

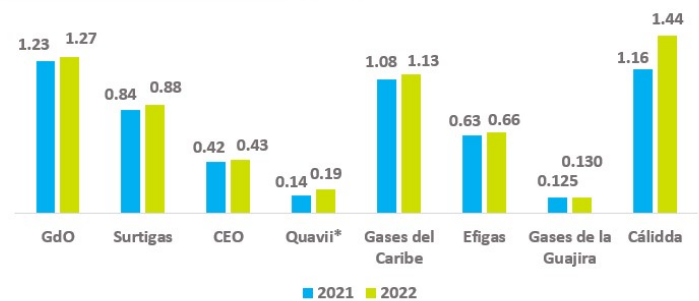


**CAPEX**  
COP \$547,138 MM  
**Var 18%**

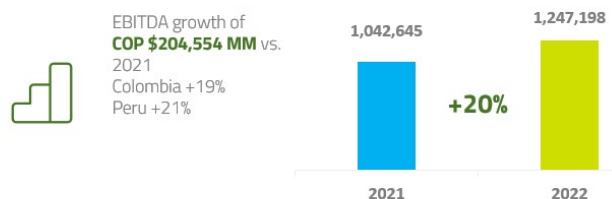


**Brilla placements**  
COP \$483,250 MM  
**Var 6%**

### ACCUMULATED USERS (MM)



### EBITDA



\*Quavii includes Gasnorp and PromPerú

### BRILLA: NON-BANK FINANCING

Brilla is the non-bank financing business created by Promigas, whose objective is to generate progress and well-being and to improve the quality of life through easily accessible formal credit, mainly targeted at customers from low socioeconomic levels.

This financial inclusion model is targeted at customers who have demonstrated a good natural gas and electricity payment history, through approved credit limits that offer access to a broad portfolio of products and services, such as construction materials, educational services, household goods and others.

As part of its evolution and with the aim of expanding access to customers, in 2022, Brilla implemented and deployed new tools to increase its potential customers and monetize them using external data during the assessment process. In line with the above, we recently launched the Brilla App for franchised companies, as a new sales channel that has evolved the way we relate to our customers.

Additionally, CEO began to commercialize and sell insurance and assistance, diversifying the portfolio of services offered to users.

In the second quarter of 2022, a total of 767,000 users had accounts receivable outstanding with Brilla, for a total of 4.8 million loans granted since the start of the program. Of the above, 47% are people from income bracket 1, 36% from income bracket 2, 13% from income bracket 3 and 4% from other income brackets. Additionally, loan placements by Brilla totaled COP \$483,250 MM (+6%) and accounts receivable totaled COP \$1.49 Bn (+27%). EBITDA also increased by COP \$19,398 MM (+23%) vs. 2021 (COP \$102,499 MM vs. COP \$83,101 MM).

## REGULATORY ASPECTS

### Electric Power

In June, the Court declared UNENFORCEABLE the second paragraph of Article 56 of Law 2099/2021, establishing that companies must take on the costs associated with smart meters and must not pass them on to users, because the provision is disproportionate and runs counter to the criterion of cost recovery. In this regard, CREG issued Notice 055/2022, informing that it will initiate the assessment of the resulting impacts.

MME adopted the 2022 – 2030 Program for the Rational and Efficient Use of Energy (PROURE, for the Spanish original), which sets goals and targets related to energy efficiency. The implementation of the proposed measures would lead to reducing energy consumption by 1,688 PJ and would prevent emissions of 85.02 MTon of CO<sub>2</sub>.

### Natural Gas

The Commission's Resolution 102-003/2022 published the methodology for remunerating natural gas retail commercialization. In June, the companies uploaded the information in the APLIGAS application. The Commission has not yet delivered the rate-setting dossiers, to which effect it is expected to publish a Notice with forms and timetables.

The current charges in the main markets have been in force since 2004.

### Peru

OSIMERGMIN published Resolution 079-2022-OS/CD, which established the average distribution tariff for the new 2022-2026 rate period of Cálidda, which became effective on May 7.

## 7. ENERGY SOLUTIONS RESULTS

---

Promigas aims to become a major player in the energy solutions business to diversify our portfolio of products and services, and to become a strategic partner for our customers in the energy transition.

As of June 2022, we had reached 42.4 MW, of which 55% are in operation and 45% under construction, for a total increase in capacity compared to the first quarter of last year of 73%. Of the 42.4 MW mentioned, 27.1 MW represent the total solar capacity, while 15.3 MW correspond to auto- and co-generation. Additionally, we service 42 MW for third parties, providing operation and maintenance services. The breakdown of year-to-date revenues in 2022 by type is COP \$2,156 MM for solar (execution of 154%) and COP \$6,169 MM for auto- and co-generation and O&M (execution of 94%).

It should be highlighted that partnerships have been entered into for the design, construction, operation, and maintenance of solar projects with:

- Classic Jeans in Barranquilla;

- Vicente Uribe building in Medellín
- CINAL in Caloto
- J.G.B. S.A. in Cali

Additionally, there are 17 MW in binding offers of solar projects for 9 customers in different regions of Colombia, and 7 MW in a gas tri-generation project.

## 8. CORPORATE ASPECTS – SUSTAINABLE MANAGEMENT (ESG)

---

### CONTRIBUTION TO SOCIAL PROGRESS

Fundación Promigas is the great driver of our social management and a great partner for our companies and communities. We work in a decentralized manner, listening closely to the communities, authorities, and partners.

At Fundación Promigas, we have four distinctive programs that currently benefit 5,624 people in 56 Colombian municipalities (17 PDET), and in which, for each Colombian peso invested, \$1.05 Colombian pesos have been contributed by third parties. These 4 programs are More Youth Employment, More Entrepreneurship, More Productive Communities and More Biodiversity (*Más empleo juvenil, Más emprendimiento, Comunidades más productivas* and *Más biodiversidad*).

In the second quarter of 2022, these programs achieved the following objectives:

#### More Youth Employment

- 3,538 young direct beneficiaries.
- 93% of the young people have already graduated.
- 40% of the alumni already have a formal job.
- Young people with jobs have an average salary of COP \$1,351,000 per month.
- We cover 30 Colombian municipalities (5 PDET).

#### More Entrepreneurship

- 515 entrepreneurial ventures have strengthened their business models to generate and increase sales.
- 990 direct beneficiaries currently in training for their business ventures.



- Program was launched in Cauca to assist 150 women in achieving economic independence.
- We cover 22 Colombian municipalities (11 PDET).

#### More Productive Communities

- 199 production units have strengthened their business processes and models.
- 579 direct beneficiaries improve their skills.
- More productive communities/rural: Revenues from first harvest in 2022 of COP \$122 MM vs. COP \$40 MM in 2021.
- We cover 9 Colombian municipalities (3 PDET).

#### More Biodiversity

Launch of program in Sierra Nevada:

- 128 Indigenous families comprised of 640 people are direct beneficiaries.
- 40 family nurseries and 2 community nurseries will be strengthened.
- 64,000 seedlings will be planted.
- We cover 2 Colombian municipalities (2 PDET).

### **HUMAN RIGHTS**

To ensure that our presence in the different territories where we operate is respectful of the human rights of the communities in the areas, we have undertaken a self-assessment of the Human Rights Due Diligence Guide for engaging with Communities, to identify opportunities to strengthen our management. This guide is part of *Guías Colombia*, a multi-actor voluntary initiative that since 2006 has brought together companies, government entities, civil society organizations and international organizations to contribute to the improvement of the conditions of human rights and companies in the country.

In line with the above, we have also entered into a partnership with the Peace and Development Program of Cesar and La Guajira (*Programa de Desarrollo y Paz del Cesar y la Guajira*), the purpose of which is to carry out a series of events to build trust and strengthen the capabilities of Wayuu communities located in the area of influence of our gas pipeline, which will enable us to continue

working on social development projects with these communities, while at the same time strengthening our social license with them.

## **CLIMATE MATTERS**

### Forest restoration project

Agreement signed in April with the NGO Conservation International to support an environmental restoration project with the Arhuaco community in Sierra Nevada de Santa Marta.

#### **Expected impact of project:**

- Planting of approximately 64,000 trees to restore 128 degraded hectares in Sierra Nevada de Santa Marta.
- Training Arhuaco young people in environmental restoration.
- Gather carbon information to assess the future implementation of carbon projects in these communities.

Investor Relations Office  
[investors@promigas.com](mailto:investors@promigas.com)

Calle 66 # 67-123  
Barranquilla, Colombia



PROMIGAS



# CORPORATE RESULTS PRESENTATION Q2 2022

