GRUPO ENERGÍA BOGOTÁ S.A. E.S.P. Y SUS SUBORDINADAS
Consolidated Statements of Financial Position
As of december 31, 2023 and 2022
(Expressed in millions of colombian pesos and thousands of dollars)

		December 2023		December 2022	% Part.	Variation	Variation %		USD
Assets									
Current assets:									
Cash and cash equivalents	Col$	2.289.704		1.477.821	5,26%	811.883	54,94 %	USD	599.077
Trade and other receivables		1.406.164		1.260.691	3,23%	145.473	11,54 %		367.908
Receivables from related parties		213.375		153.830	0,49%	59.545	38,71 %		55.827
Inventories		455.444		346.179	1,05%	109.265	31,56 %		119.162
Tax assets		233.800		188.934	0,54%	44.866	23,75 %		61.171
Derivative assets		382.031		691.536	0,88%	(309.505)	(44,76)%		99.954
Other non-financial assets		85.899		85.527	0,20%	372	0,43 %		22.475
Assets held for sale		-		180.809	0,00%	(180.809)	(100,00)%		-
Total current assets	$	**5.066.417**	$	**4.385.327**	11,64%	681.090	15,53 %		**1.325.576**
Non-current assets:									
Investments in associates and joint ventures	$	14.052.768		15.556.173	32,29%	(1.503.405)	(9,66)%		3.676.762
Property, plant and equipment		15.922.277		17.013.241	36,58%	(1.090.964)	(6,41)%		4.165.900
Right of use assets		57.561		78.021	0,13%	(20.460)	(26,22)%		15.060
Investment properties		30.113		30.118	0,07%	(5)	(0,02)%		7.879
Investments in financial assets		56.909		17.243	0,13%	39.666	230,04 %		14.890
Trade and other receivables		275.514		305.851	0,63%	(30.337)	(9,92)%		72.085
Goodwill		553.305		623.489	1,27%	(70.184)	(11,26)%		144.767
Intangible assets		7.304.100		8.608.035	16,78%	(1.303.935)	(15,15)%		1.911.043
Tax assets		206.836		122.953	0,48%	83.883	%		54.117
Other non-financial assets		11		13	0,00%	(2)	(15,38)%		3
Total non-current assets	**$**	**38.459.394**	**$**	**42.355.137**	88,36%	(3.895.743)	(9,20)%		**10.062.504**
Total assets	**$**	**43.525.811**	**$**	**46.740.464**	100,00%	(3.214.653)	(6,88)%		**11.388.080**
Liabilities and equity									
Current liabilities:									
Loans and borrowings	$	2.134.589		1.075.261	4,90%	1.059.328	98,52 %		558.493
Trade and other payables		742.474		825.487	1,71%	(83.013)	(10,06)%		194.261
Lease liabilities		26.703		40.318	0,06%	(13.615)	(33,77)%		6.987
Payables from related parties		777		389	0,00%	388	99,74 %		203
Derivative liabilities		268.283		125.016	0,62%	143.267	114,60 %		70.193
Employee benefits		140.159		147.687	0,32%	(7.528)	(5,10)%		36.671
Provisions		129.881		149.729	0,30%	(19.848)	(13,26)%		33.982
Prepaid revenues		69.793		21.316					
Tax liabilities		154.399		177.027					
Other non-financial liabilities		15.375		19.325					
Total current liabilities	**$**	**3.682.433**	**$**	**2.581.555**	8,46%	1.100.878	42,64 %		**963.471**
Non-current liabilities:									
Loans and borrowings	$	16.493.263		19.268.104	37,89%	(2.774.841)	(14,40)%		4.315.292
Trade and other payables		61.715		54.134	0,14%	7.581	14,00 %		16.147
Lease liabilities		44.978		66.921	0,10%	(21.943)	(32,79)%		11.768
Employee benefits		123.142		98.020	0,28%	25.122	25,63 %		32.219
Provisions		551.754		566.936	1,27%	(15.182)	(2,68)%		144.361
Prepaid revenues		54.984		56.536	0,13%	(1.552)	(2,75)%		14.386
Deferred tax liabilities		3.003.385		2.770.352	6,90%	233.033	8,41 %		785.805
Total non-current liabilities	**$**	**20.333.221**	**$**	**22.881.003**	46,72%	(2.547.782)	(11,13)%		**5.319.978**
Total liabilities	**$**	**24.015.654**	**$**	**25.462.558**	55,18%	(1.446.904)	(5,68)%		**6.283.448**
Equity:									
Issued capital	$	492.111	$	492.111	1,13%	-	%		128.756
Prima en colocación de accionesAdditional paid-in-capital		837.799		837.799	1,92%	-	%		219.201
Reserves		5.692.697		4.841.398	13,08%	851.299	17,58 %		1.489.436
Retained earnings		7.803.173		8.069.359	17,93%	(266.186)	(3,30)%		2.041.620
Other comprehensive income		4.082.492		6.261.847	9,38%	(2.179.355)	(34,80)%		1.068.142
Equity attributable to the owners of the parent	**$**	**18.908.272**	**$**	**20.502.514**	43,44%	(1.594.242)	(7,78)%		**4.947.155**
Non-controlling interest		601.885		775.392	1,38%	(173.507)	(22,38)%		157.477
Total equity		19.510.157		21.277.906	44,82%	(1.767.749)	(8,31)%		5.104.632
Total equity and liabilities	**$**	**43.525.811**	**$**	**46.740.464**	100,00%	(3.214.653)	(6,88)%		**11.388.080**

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.

Consolidated Statements of Financial Position

For the twelve months ended decembrer 31, 2023 and 2022

(Expressed in millions of colombian pesos and thousands of dollars)

		For twelve-month period ended december 31		Variation	Variation %		USD
		2023	2022				
Natural gas distribution	Col$	4.112.108	3.690.129	421.979	11,44 %	USD	950.765
Natural gas transport		2.005.186	1.704.844	300.342	17,62 %		463.621
Electricity transmission		1.205.764	911.153	294.611	32,33 %		278.786
Electricity distribution		655.375	568.465	86.910	15,29 %		151.530
Total revenue		**7.978.433**	**6.874.591**	**1.103.842**	16,06 %		**1.844.703**
Natural gas distribution		(2.931.852)	(2.634.379)	(297.473)	11,29 %		(677.877)
Natural gas transport		(687.054)	(633.533)	(53.521)	8,45 %		(158.855)
Electricity transmission		(435.936)	(303.935)	(132.001)	43,43 %		(100.793)
Electricity distribution		(376.571)	(340.675)	(35.896)	10,54 %		(87.067)
Total costs	$	**(4.431.413)**	**(3.912.522)**	**(518.891)**	13,26 %		**(1.024.592)**
Gross profit		**3.547.020**	**2.962.069**	**584.951**	19,75 %		**820.111**
Administrative and operating expenses		(971.358)	(898.843)	(72.515)	8,07 %		(224.589)
Other income, net		53.322	50.161	3.161	6,30 %		12.329
Operating profit	$	**2.628.984**	**2.113.387**	**515.597**	24,40 %		**607.851**
Financial income		271.228	259.002	12.226	4,72 %		62.711
Financial expenses		(1.479.517)	(1.019.884)	(459.633)	45,07 %		(342.081)
Net gain (loss) from exchange difference		241.130	154.498	86.632	56,07 %		55.752
Equity method of investments in subordinates, associates and joint ventures		1.718.584	2.096.085	(377.501)	(18,01)%		397.356
Profit before income tax	$	**3.380.409**	**3.603.088**	**(222.679)**	(6,18)%		**781.588**
Current tax		(367.228)	(439.092)	71.864	(16,37)%		(84.907)
Deferred tax		(244.811)	(137.010)	(107.801)	78,68 %		(56.603)
Net profit for the year	$	**2.768.370**	**3.026.986**	**(258.616)**	(8,54)%		**640.078**
Other comprehensive income							
Other comprehensive income for the period, net of income tax	$	**(2.333.847)**	**2.750.309**	**(5.084.156)**	(184,86)%		**(539.612)**
Total comprehensive income	$	**434.523**	**5.777.295**	**(5.342.772)**	(92,48)%		**100.467**
Consolidated net income for the period attributable to:							
Controlling interest		2.592.744	2.852.795	-260.051	(9,12)%		599.471
Non-controlling interest		175.626	174.191	1.435	0,82 %		40.607
		2.768.370	**3.026.986**	**-258.616**	(8,54)%		**640.078**
Other consolidated comprehensive income for the period attributable to:							
Controlling interest		(2.179.355)	2.576.156	(4.755.511)	(184,60)%		(503.891)
Non-controlling interest		(154.492)	174.153	(328.645)	(188,71)%		(35.720)
		(2.333.847)	**2.750.309**	**(5.084.156)**	(184,86)%		**(539.612)**

GRUPO ENERGIA DE BOGOTA S.A. E.S.P.
Consolidated Statements of Cash Flow
For the periods ended December 31, 2023 and 2022
(Expressed in millions of colombian pesos)

		December 2023	December 2022	USD
Cash flows from operating activities:				
Net profit for the year	Col$	$ 2.768.370	3.026.986	USD 640.078
Adjustments to reconcile net profit for the year to net cash from operating activities:				
Income tax expense		612.039	576.102	141.510
Profit of equity method of investments in associates and joint ventures		(1.718.584)	(2.096.085)	- 397.356
Depreciation and amortization		978.974	836.217	226.350
De-recognition of property, plant and equipment		983	6.677	227
De-recognition of intangible assets		10.282	-	2.377
Provisions, net		75.075	12.124	17.358
Impairment loss on trade receivables		33.205	(180.424)	7.677
Accounts receivable write-off		-	327.377	-
Impairment of property, plant and equipment		73	-	17
Impairment of inventories, net		312	(926)	72
Impairment (reversal) of long-term assets, net		-	(85.109)	-
Foreign exchange differences		(280.438)	(154.498)	- 64.840
Financial expenses		1.479.517	1.019.884	342.081
Financial income		(271.228)	(259.002)	- 62.711
Lease contract termination		(24.211)	-	- 5.598
Changes in operating assets and liabilities:				
Trade and other accounts receivable		(726.800)	243.307	- 168.044
Inventories		(156.468)	(40.128)	- 36.177
Tax assets		(292.763)	-	- 67.690
Other non-financial assets		(8.104)	(8.825)	- 1.874
Trade and other accounts payable		41.780	44.378	9.660
Employee benefits		(19.146)	(9.761)	- 4.427
Provisions		(46.212)	147.196	- 10.685
Tax liabilities		179.258	-	41.446
Other liabilities		46.534	48.474	10.759
Income tax paid		(378.129)	(370.551)	- 87.428
Net cash from operating activities		2.304.319	3.083.413	532.784
Cash flow from investing activities:				
Acquisition of investments in subordinates		-	(385.674)	-
Acquisition of joint ventures		-	(1.131.942)	-
Capitalization of investments in associates		(7.821)	(961.953)	- 1.808
Dividends received		1.647.449	1.840.580	380.909
Related party loans		(2.202)	-	- 509
Interest received		506.054	40.188	117.005
Investment in financial assets		(97.437)	(183)	- 22.529
Acquisition of property, plant and equipment		(732.831)	(1.190.318)	- 169.439
Acquisition of intangible assets		(618.621)	(716.357)	- 143.032
Acquisition of group of assets - Transnova		(83.325)	-	- 19.266
				-
Net cash from (used in) from investing activities		611.266	(2.505.659)	141.331
Cash flow from financing activities:				
Dividends paid		(2.196.039)	(1.920.054)	- 507.749
Interest paid		(1.634.759)	(872.257)	- 377.975
Proceeds from borrowings		6.596.338	3.186.652	1.525.147
Payment of borrowing		(4.744.385)	(1.120.961)	- 1.096.955
Lease payments		(58.307)	(120.778)	- 13.481
Related party borrowings		388	-	90
				-
Net cash used in financing activities		(2.036.764)	(847.398)	(470.923)
Net increase (decrease) in cash and cash equivalents		878.821	(269.644)	203.193
Effect of exchange rate fluctuations on cash and cash equivalents		(66.938)	55.927	88.657
Opening balance of cash and cash equivalents		$ 1.477.821	1.691.538	307.227
Cash and cash equivalents at the end of the year		$ 2.289.704	1.477.821	599.077

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.

Consolidated Financial Statements

December 31, 2023

(With comparative figures at December 31, 2022)

Including the Statutory Auditor's Report

1. General information

Parent Company - As stated in Law 142/1994 and Resolution 1/1996 of the District Council, on May 31, 1996, Grupo Energía Bogotá S.A E.S.P. was transformed from a government-owned industrial and commercial company to a joint stock company. Grupo Energía Bogotá S.A E.S.P., (hereinafter, “GEB” or the “Group”) was transformed into a public utilities company under Law 142/1994, and continued to be dedicated to the generation, transmission, distribution and commercialization of energy. The Company’s legal term of duration is indefinite. At the General Meeting of Shareholders held on October 6, 2017, as documented in Minutes No. 078, formalized in Public Deed No. 3679/2017, registered on October 25, 2017 in the Chamber of Commerce of Bogotá, the Company changed its company name from Empresa de Energía de Bogotá S.A. E.S.P. to Grupo Energía Bogotá S.A. E.S.P. Its main registered office is at Carrera 9 No. 73-44 in Bogotá D.C., Colombia.

The Group’s main corporate purpose is the generation, transmission, distribution and commercialization of energy, including gas and liquid fuels of all forms. It may also participate as partner or shareholder in other public utility companies, either directly or in partnership with others. Currently, the Group performs operating activities related to electricity transmission, and has a portfolio of investments in the energy sector.

Subsidiaries, associates and joint ventures in Colombia

It holds investments in subsidiaries, associates and joint ventures, and directly provides electricity transmission and distribution, and gas distribution services in Colombia.

In the value chain, GEB controls the largest natural gas operator in Colombia, TGI S.A., which has a substantial market share, including approximately 3,957 kilometers of gas pipelines, with available capacity of approximately 733.8 MMSCFD (million standard cubic feet per day), through which it serves the country’s most populated areas, including Bogotá, Cali, the Coffee Triangle, Medellín and the foothills area of the Plains region. The Group operates and maintains the largest network of gas pipelines in Colombia, from La Guajira to Valle del Cauca and from the Eastern Plains to Cundinamarca, Boyacá, Tolima and Huila.

Starting on June 1, 2023, TGI changed its functional currency from dollar to Colombian pesos, due to the change in the remuneration it receives for natural gas transportation services, as defined in Resolution 175/2021 issued by the Energy and Gas Regulatory Commission (CREG, for the Spanish original). In Colombia, the CREG establishes general criteria for the remuneration of natural gas transportation services and the general chart of charges of the national gas transportation system. The change in currency was made prospectively in the financial statements starting on June 1, 2023

On June 17, 2022, the Group acquired control over Elecnorte S.A.E.S.P., a public utilities company whose main business is the distribution of electricity, especially the regional transmission of electric energy in accordance with Colombian regulations, and the operation of all the energy infrastructure required to perform its activities.

Additionally, on October 26, 2022, the Group incorporated the company Enlaza Grupo Energía Bogotá S.A.S. E.S.P., with the purpose of strengthening management of the electric energy transmission projects and its operating assets in Colombia.

On November 30, 2023, the merger of the subsidiaries ELECNORTE S.A. E.S.P. and EEB GAS S.A.S. with Grupo Energía Bogotá S.A. E.S.P. was formalized. This merger was carried out with the purpose of generating synergies, efficiencies and financial and operating enhancements, to simplify the corporate and management structure, as well as to simplify fulfillment of tax, accounting and reporting obligations to the different oversight bodies. The merger had no effects on the Group's consolidation.

GEB holds investments in associates involved in electricity transmission and distribution and gas transportation and distribution, including ENEL Colombia S.A. E.S.P., VANTI S.A. E.S.P., Promigas S.A. E.S.P., Agencia Analítica de Datos S.A.S. and EMSA S.A. E.S.P. The following are the main investments:

Enel Colombia S.A. E.S.P. – Its main line of business is the generation, distribution, commercialization and storage of electric energy, as well as perform all activities related to the provision of public utility services in general.

VANTI S.A. E.S.P. – Its purpose is the distribution and commercialization of natural gas, as well as performance of exploration, production, generation, transportation and/or transmission, distribution and commercialization activities for any type of energy.

Promigas S.A. E.S.P. – its corporate purpose is to acquire, sell, transport, distribute, exploit and explore natural gas, oil and hydrocarbons in general, and gas and oil related activities of all types.

Subsidiaries, associates and joint ventures Abroad

Peru:

Gas Natural de Lima y Callao S.A.

In 2011 GEB acquired the company AEI Perú Holding Ltd. (currently EEB Perú Holding Ltd.), which holds 60% of the shares of Calidda, which is the company in charge of the distribution of natural gas in the Department of Lima and the Constitutional Province of Callao.

The corporate purpose of Calidda is the distribution of gas, including the commercialization, installation and maintenance of equipment, and performance of activities related to hydrocarbons and/or their distribution.

Through its shareholdings in Calidda, the company has a concession to design, build and operate the natural gas distribution system in the Department of Lima and the Constitutional Province of Callao in Peru, whose term is 33 years. Calidda is the pioneering company in providing this public utility service in Peru, contributing in this way to improving the quality of life of the population and the preservation of the environment.

Calidda Energía S.A.C.

It is a subsidiary de Gas Natural de Lima y Callao S.A. whose corporate purpose is to perform activities related to the generation, distributed generation, transmission and co-generation of electricity, the commercialization of energy, the development and implementation of energy efficiency projects and energy solutions in the market. Hydrocarbons distribution and/or commercialization activities in general.

Contugas S.A.C.

Contugas is engaged in the distribution and commercialization of natural gas and fuel in all forms. It may also provide services such as design, planning, expansion, financing, construction, operation, commercial exploitation and maintenance of natural gas transportation and distribution systems using pipelines, as well as hydrocarbons transportation systems in all forms.

Through Contugas, the company has a 30-year concession to participate in the natural gas transportation and distribution sector in the Department of Ica. On April 25, 2008, the Private Investment Promotion Agency (PROINVERSION) awarded the consortium comprised of Grupo Energía Bogotá S.A. E.S.P. and Transportadora de Gas del Interior S.A. E.S.P. the international public bid, under the modality of comprehensive project, to design, finance, build, operate and maintain the natural gas distribution system in the Department of Ica in Peru. Based on this award, on March 7, 2009, the BOOT Concession Contract was signed for the natural gas distribution system through a gas pipeline in the Department of Ica. This contract is being performed by the Company in its capacity of concession holder.

The Company began commercial operations on April 30, 2014, after having completed construction of the Natural Gas Pipeline Distribution System in Ica.

On August 9, 2019, Grupo Energía Bogotá acquired the shares of Dunas Energía S.A.A., Cantalloc Perú Holding S.R.L. and PPC Perú Holdings S.R.L. (hereinafter, Grupo Dunas). It obtained control of the group through the purchase of 100% of the shares.

The Group also seeks to achieve greater regional coverage to consolidate its position in the Peruvian energy sector value chain. For this reason, it holds investments in the associates REP S.A. and TRANSMANTARO S.A., which operate 63% of the electricity transportation network in Peru, through four transmission departments: the North transmission department serves the facilities in Chiclayo and Chimbote; the Center transmission department services the facilities of Lima and Pisco; the East transmission department serves the facilities in Huánuco and Huancayo, and the South transmission department serves the facilities of Arequipa and Cuzco.

Guatemala:

Transportadora de Centroamérica S.A.

In Guatemala, through its investment in Transportadora de Centroamérica S.A. (TRECSA), it provides electricity transmission services and related activities through the construction of the most important infrastructure project in Guatemala, which began to provide electric energy transportation services in 2014. GEB has established a guarantee in favor of the Ministry of Energy and Mines of the Republic of Guatemala in the amount of USD 18,417,423.

EEB Ingeniería y Servicios S.A.

On January 20, 2011, meeting No. 1470 of the Board of Directors of GEB authorized the creation of the subsidiary EEB Ingeniería y Servicios S.A. (EEBIS GT), with domicile in Guatemala, whose purpose is to provide electric energy transportation services, consulting services, engineering activities and design, and project management.

Conecta Energías S.A.

On October 17, 2023, the investment vehicle Conecta Energías S.A. was incorporated in Guatemala with a contribution of USD 35,243,257, equivalent to COP 149,448 million, 100% owned by GEB. Afterwards, through this investment vehicle, on October 19, 2023, Transmisora de Energía Renovable S.A. (Transnova) was acquired for USD 33,314,898 (see Note 16).

Brazil:

Additionally, GEB holds an investment portfolio in major companies in the energy sector in Brazil, mainly Argo Energia Empreendimentos e Participações S.A. and GEBBRAS Participações Ltda.

GEBBRAS Participações Ltda.

In August 2015, the Company formalized the acquisition of a 51% equity interest in four electric energy transmission concessions in Brazil: Transenergia Renovável SA, Transenergia Sao Paulo SA, Goiás Transmissão, S.A. and MGE Transmissão, S.A. The price of the transaction totaled 547.98 million Brazilian Reals (USD 157.9 million).

The four concessions acquired by the Company were awarded by means of public bids in 2008 and 2009 for a 25-year period. The transmission lines cover 1,094 km, and comprise assets operating at 500, 345, 230 and 138 kV, located in the following states: Espíritu Santo, Goiás, Mato Grosso, Mato Grosso do Sul, Minas Gerais and São Paulo.

Argo Energia Empreendimentos e Participações S.A.

GEB has a 50% equity interest in this company. In turn, Argo Energia Empreendimentos e Participações S.A. and Gebbras Participações Ltda acquired 100% of the ordinary shares of the following five electric energy transmission concessions in northeastern Brazil: the concessions Esperanza Transmissora de Energia S.A., Odoyá Transmissora de Energia S.A., Transmissora José Maria de Macedo de Eletricidade S.A., Giovanni Sanguinetti Transmissora de Energia S.A., and Veredas Transmissora de Energia S.A.

Bermuda:

EEB Energy RE.

It was incorporated under the laws of Bermuda on January 7, 2013, and is registered as a Class 1 insurer under the 1978 Insurance Act. This subsidiary's main activity is to insure the risks of its parent company and its affiliates. This includes material damages to property and business interruption, general liability, sabotage and terrorism, including business interruption, construction, all risk exposures, and legal fees for the defense of the parent company's directors and officers. All coverage is provided by commercial insurers with A or higher rating.

2. Legal and regulatory framework

Colombian companies - In the framework of constitutional provisions, the Residential Public Utilities Law 142/1994 and Law 143/1994 or Electricity Law were issued, which establish the provisions and general criteria that govern residential public utility service companies in the national territory.

The Electricity Law of July 1, 1994 (Law 143/1994) regulates activities related to the generation, transmission, distribution and commercialization of electric energy, creating a structure to promote competition and strengthen the electricity sector in the country.

The main government body of the electricity sector is the Ministry of Mines and Energy, which develops the national energy plan and the plan of reference for the expansion of generation–transmission through its Mining-Energy Planning Unit (UPME, for the Spanish original). Additionally, the Superintendence for Residential Public Utility Services (SSPD, for the Spanish original) and the Energy and Gas Regulatory Commission (CREG, for the Spanish original), are the entities responsible for the supervision and regulation of companies in this sector.

Companies in Peru - They are governed by the Organic Hydrocarbons Law No. 26221, issued on August 19, 1993, and the Natural Gas Industry Promotion and Development Law No.27133, issued on November 18, 1999, and its regulation approved by means of D.S. 040-99-EM, which establishes the conditions for the promotion and development of the natural gas industry. They are supervised by the Investments in Energy and Mining Supervising Body (OSINERGMIN, for the Spanish original), which oversees the quality and efficiency of the service provided and fulfillment of the obligations taken on by the concession holders in the concession contracts, as well as compliance with current legal provisions and technical standards.

Companies in Guatemala - They are governed by the legal framework defined in the General Law on Electricity (Decree 93-96 of the Congress of Guatemala) issued on November 15, 1996, the Regulation of the General Law on Electricity (Resolution 256-97 of April 2, 1997, amended by Resolution 68-2007), and the Regulation of the Wholesale Market Administrator (AMM, for the Spanish original) (Resolution 299-98 of June 1, 1998, amended by Resolution 69-2007).

The Ministry of Energy and Mines (MEM, for the Spanish original) is the government body responsible for formulating and coordinating the policies, government plans and indicative programs related to the electricity sub-sector and for enforcing the Law and its Regulations.

Brazilian companies – The electricity transmission business in Brazil is regulated by the National Electric Energy Agency (ANEEL, for the Portuguese original), a special regime body that reports to the Ministry of Mines and Energy, with main office in the federal district and indefinite duration, as set out in Law No. 9,427 of December 26, 1996.

In 2014, by means of regulatory resolution No. 605/2014 of the National Electric Energy Agency (ANEEL), the manual of accounting treatment for the electricity sector in Brazil was approved.

3. Basis of preparation and presentation

3.1 Regulatory technical accounting framework

The Group's Consolidated Financial Statements have been prepared in accordance with Colombia's Generally Accepted Accounting and Financial Reporting Standards (NCIF, for the Spanish original) established in Law 1314/2009, regulated by Single Regulatory Decree 2420/2015, as amended by Decrees 2496/2015, 2131/2016, 2170/2017, 2483/2018, 2270/2019, 1432/2020, 938/2021 and 1611/2022. The NCIF that apply in 2021 are based on the International Financial Reporting Standards (IFRS), along with their interpretations issued by the International Accounting Standards Board (IASB).

GEB applies the following rules, in accordance with applicable laws and regulations in Colombia:

For legal effects in Colombia, the primary financial statements are the separate financial statements, which are stated in terms of Colombian pesos, which is the presentation or reporting currency for all effects.

3.2 Consolidated Financial Statements

Subsidiaries:

The consolidated financial statements include the financial statements of Grupo Energía Bogotá S.A. E.S.P. and its subsidiaries at December 31, 2023 and 2022. The parent company consolidates the financial statements of the entities it controls.

Control is only held when the Group:

- Has power over an investee;
- Is exposed to or has rights to variable returns from its involvement with the investee, and
- Has the ability to use its power over the investee to affect the amount of the investor's returns.

The Group reassess whether or not it controls an investee whenever facts and circumstances indicate that any of the three aforementioned elements have changed.

When the Group has less than a majority of voting rights in an investee, it has power over the investee when its voting rights are sufficient to provide it the practical ability to unilaterally direct the relevant activities of the investee. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to grant it power, including:

- The percentage of the Group's voting rights compared to the size and dispersion of the percentages of other vote holders;
- Potential voting rights held by the Group, other shareholders or other parties;

- Rights derived from contractual agreements; and
- Any additional facts or circumstances that indicate that the Group has, or does not have, the actual ability to direct the relevant activities at the time a decision must be made, including voting patterns in previous shareholder meetings.

The consolidation of a subsidiary begins when the Group acquires control over the subsidiary. Specifically, the revenues and expenses of a subsidiary acquired or sold during a year are included in the consolidated statement of income and other comprehensive income starting on the date on which the Group obtains control until the date on which the Group no longer controls the subsidiary.

The profit or loss of each component of other comprehensive income is attributed to the Group owners and to non-controlling interests. The total comprehensive income of the subsidiaries is attributed to the Group owners and to non-controlling interests, even if the results of the non-controlling interests have a negative balance.

If necessary, adjustments may be made to the financial statements of the subsidiaries to adapt their accounting policies to these used by other Group members.

All inter-company transactions, balances, revenues and expenses are eliminated in the consolidation.

Changes in the Group's shareholdings in its existing subsidiaries – The changes in shareholdings in the subsidiaries that do not lead to loss of control by the Group in the subsidiaries are recognized as capital transactions. The amounts of the Group's interests and the non-controlling interests are adjusted to reflect changes in the relative shareholdings in the subsidiaries. Any difference between the amount of the adjustment to non-controlling interests and the fair value of the consideration paid or received is recognized directly in net equity and attributed to the Group's owners.

When the Group loses control over a subsidiary, a gain or loss is recognized in the period's profit or loss and is calculated as the difference between (i) the sum of the fair value of the consideration received and the fair value of any retained interest, and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income regarding that subsidiary are recognized as if the Group had directly disposed of the assets or liabilities related to the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/allowed by applicable standards). The fair value of the investment retained in the former subsidiary at the date when control is lost is considered the fair value of initial recognition for subsequent recognition in accordance with IFRS 9, as the cost in the initial recognition of an investment in an associate or joint venture, as the case may be.

The following are the companies controlled by GEB and which are therefore included in the consolidation of Grupo Energía Bogotá:

(Amounts in COP million)

Name of Subsidiary	Main Activity	% Shareholdings	Country of incorporation and operation
Transportadora de Gas Internacional S.A. E.S.P.	Gas transport	99.90%	Colombia
Contugas S.A.C.	Gas distribution	100%	Peru
Gas Natural de Lima y Callao S.A.	Gas distribution	60%	Peru
Transportadora de Energía de Centroamérica S.A.	Electric energy transportation	96.84%	Guatemala
EEB Perú Holdings LTD.	Investment vehicle	100%	Cayman Islands
EEB Ingeniería y Servicios S.A.	Engineering services	100%	Guatemala
EEB Energy RE.	Captive insurance company	100%	Bermuda
GEBBRAS Participacoes LTDA.	Investment vehicle	100%	Brazil
Dunas Energía S.A.A.,	Electric energy distribution and commercialization	100%	Peru
PPC S.R.L.	Electric energy distribution and commercialization	100%	Peru
Cantalloc S.R.L.	Electric energy distribution and commercialization	100%	Peru
Enlaza Grupo Energía Bogotá SAS E.S.P.	Electricity Transmission	100%	Colombia
Conecta Energía S.A.	Electricity Transmission	100%	Guatemala

(Amounts in COP million)

Transactions between jointly controlled entities:

The combination of entities under joint control, i.e., transactions in which entities controlled by the GEB group are combined, are beyond the scope of IFRS 3. There is currently no specific guidance for the treatment of such transactions in other IFRS, which implies that, in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the Group has developed an accounting policy taking into consideration the opinions issued by other standard-setting bodies such as the American principles.

The recognized assets and liabilities arising from transactions between entities under common control are recognized at the carrying amount of the financial statements of the acquiring entity.

Investments in associates and joint ventures:

An associate is a company over which the Group has significant influence. Significant Influence is the power to intervene in financial and management policies of the entity, although without having control over the entity.

A joint venture is an agreement through which the Group, along with other participants, jointly controls the relevant activities of the agreement, and decision-making requires the unanimous consent of the parties that share control.

The following are the investments in associates and joint ventures recognized in the consolidated financial statements:

Name	Main Activity	% Shareholdings	Country of incorporation and operation
Enel Colombia S.A.S. E.S.P.	Electric energy generation and commercialization	42.52%	Colombia
Promigas S.A. E.S.P.	Gas	15.24%	Colombia
VANTI S.A. E.S.P.	Gas	24.99%	Colombia
Electrificadora del Meta S.A. E.S.P. – EMSA	Energy	16.23%	Colombia
Consorcio Transmantaro S.A.	Energy	40,00%	Peru
Red de Energía del Perú S.A.	Energy	40,00%	Peru
Agencia Analítica de Datos S.A.S.	Other	40.00%	Colombia
Goias Transmissao S.A.	Electricity transmission	51.00%	Brazil
Mge Transmissao S.A.	Electricity transmission	51.00%	Brazil
Transenergia Renovavel S.A.	Electricity transmission	51.00%	Brazil
Transenergia Sao Paulo S.A.	Electricity transmission	51.00%	Brazil
Argo	Electricity transmission	50.00%	Brazil
Argeb Energía S.A.	Investment vehicle	37.50%	Brazil

The investments in Brazil are entities that are under joint control.

Non-controlling interest:

Non-controlling interests are initially measured at fair value, or at the proportional share held by non-controlling shareholders in the identifiable net assets of the acquired entity. The choice is made for each transaction. The non-controlling interests in the net assets of the consolidated subsidiaries are presented separately under the Group's equity. Similarly, the current period's income and other comprehensive income are attributed to the non-controlling interests and the owners of the controlling entity.

Purchases or sales of shareholdings in subsidiaries to non-controlling interests that do not involve loss of control are recognized directly under equity.

3.3 Basis for measurement

The Group's consolidated financial statements have been prepared on the basis of historic cost, except financial assets and liabilities measured at fair value through profit or loss and/or through other comprehensive income, which are measured at fair value at the end of each period, as explained in the accounting policies described further below.

In general, the historical cost is based on the fair value of the consideration paid for the goods or services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the market for the instrument at the measurement date.

3.4 Functional and Presentation Currency

Each Group entity uses the functional currency of the main economic environment in which it operates. The consolidated financial statements are presented in Colombian pesos, which is the functional and presentation currency of the Group's parent company; consequently, all balances and transactions denominated in currencies other than the Colombian peso are considered foreign currencies.

The consolidated figures are stated in millions of Colombian pesos, except earnings per share and the market representative exchange rate, which are stated in Colombian pesos.

Transactions in foreign currencies – Transactions in foreign currency are recognized using the exchange rates in effect on the transaction date. At the end of each period, the monetary items denominated in foreign currency are translated using the exchange rate in effect at that date. Non-monetary items measured at cost are maintained at the exchange rate as of the transaction date. Non-monetary items denominated in foreign currency and carried at fair value are translated using the exchange rate as of the date on which fair value was determined.

During the year, foreign currency gains or losses that arise in the settlement of transactions due to the difference between the exchange rate at the time of recognition and the exchange rate in effect at the time of collection or payment are recognized in the consolidated income statement.

Foreign exchange gains or losses are recognized in equity (other comprehensive income) if they are related to cash flow hedging transactions or to net investments in foreign businesses. Whenever a gain or loss related to a non-monetary item is recognized in other comprehensive income, any exchange differences associated with such gain or loss is also recognized in other comprehensive income. On the other hand, when a gain or loss related to a non-monetary item is recognized in profit or loss of the period, any currency exchange difference derived from such transaction will also be recognized in the consolidated income statement.

Balances denominated in foreign currency are stated in Colombian pesos translated at the market representative exchange rates at December 31, 2022 and December 31, 2022, i.e., COP 3,822.05 and COP 4,810.20 per USD 1, COP 790.46 and COP 921.95 per 1 real and S/1,032.46 and S/1,262.85 per one sol, respectively.

Operations abroad – the assets and liabilities of operations abroad are translated using the exchange rates in effect at the end of the year. Revenue and expense items are translated at the average exchange rates in effect during the year. Any differences in exchange rates that may arise are recognized in consolidated other comprehensive income.

3.5 Classification of assets and liabilities as current and non-current

The Group presents in its statement of financial position the assets and liabilities classified as current and non-current on the basis of their expiration dates. Current assets and liabilities are those that expire within twelve months, and non-current assets and liabilities are those that expire later than twelve months.

For the effects of current and non-current classification, the Group considers assets and liabilities available for sale and cash and cash equivalents as current, because its intention is to realize, dispose of or consume them within the normal operating cycle or within twelve months from the reporting period.

In all cases, deferred tax balances recognized as assets or liabilities are classified as non-current assets and liabilities in the presentation of the consolidated statement of financial position.

3.6 Accounting Period

The Group prepares and publishes its general purpose financial statements once a year, with cut-off date at December 31.

4. Significant Accounting Policies

The following are the main accounting policies applied to the preparation of the attached general purpose consolidated financial statements:

4.1 Cash and cash equivalents

The Group classifies as cash and cash equivalents cash and bank balances, on-demand deposits that provide short-term liquidity, and other highly liquid short-term investments with original expiration dates of three months of less.

4.2 Financial Instruments

Financial assets and liabilities are initially recognized at fair value plus (less) any directly attributable transaction costs, except for those that are subsequently measured at fair value through profit or loss. GEB and its subsidiaries subsequently measure the financial assets and liabilities at amortized cost or at fair value, depending on the Group's business model for managing the financial assets, and the characteristics of the instrument's cash flows.

4.2.1 Financial assets - Financial assets other than those carried at amortized cost are subsequently measured at fair value through profit or loss. However, in the case of investments in equity instruments not held for trading purposes, GEB and its subsidiaries may choose, upon initial recognition and irrevocably, to recognize any gains or losses from subsequent fair value measurements through other comprehensive income.

In the disposal of investments at fair value through other comprehensive income, the accumulated value of gains and losses is transferred directly to retained earnings, and is not reclassified to the current period's profit or loss. Cash dividends received from these investments are recognized in the income statement. A financial asset is subsequently measured at amortized cost, using the effective interest rate, if the asset is held within a business model whose objective is to hold it in order to obtain the cash flows that its contractual terms provide for, on specific dates, and the cash flows are solely payments of principal and interest over the outstanding principal.

A financial asset or a portion thereof is derecognized from the statement of financial position when it is sold or transferred, when it has expired, or when control is lost over the instrument's contractual rights or cash flows. A financial liability or a portion thereof is derecognized from the statement of financial position when the contractual obligation has been settled or has expired.

When an existing financial liability is replaced for another of the same counterparty under substantially different terms, or when the terms of an existing liability are substantially changed, such replacement or change will be treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts will be recognized in other comprehensive income.

4.2.1.1 Impairment of financial assets – The Group recognizes an allowance for expected credit losses on investments in financial assets measured at amortized cost or at fair value through other comprehensive income, lease accounts receivable, balances owed by clients in construction contracts, as well as credit commitments in favor and financial guarantee contracts. No impairment losses are recognized on investments in equity instruments. The amount of expected credit losses is updated on each reporting date to reflect any changes in credit risk since the initial recognition of the respective financial instrument.

GEB and its subsidiaries recognize expected credit losses on its debt securities, trade accounts receivable, and lease accounts receivable at the end of the reporting period. In calculating the expected credit losses under IFRS 9, GEB and its subsidiaries use a simplified approach that allows not monitoring changes in credit risk, but instead recognizing a loss allowance based on the expected credit losses over the life of the asset on each reporting date, i.e., to recognize the expected credit losses that arise from possible default events over the expected life of the financial instrument. Whenever there is objective evidence that a financial asset is impaired, the Group recognizes an individual impairment allowance, and excludes that item from the collective assessment under the expected loss model.

To determine the expected credit losses, GEB and its subsidiaries use an allowance matrix based on the number of days a trade account receivable is past due, i.e., by grouping the accounts receivable in ranges of days past due, and applying a percentage of expected credit losses to the current balance of accounts receivable at the measurement date of each subsidiary, segmented into two homogeneous groups: the industrial business and the consumer business.

The impairment loss is recognized under management and sales expenses in the Group's consolidated income statement. When confirmation is received that a trade account receivable is deemed uncollectible, the gross carrying amount of the account receivable is derecognized against the associated allowance.

4.2.2 Financial liabilities - The financial liabilities are the financing sources obtained by the Group through bank loans and bond issuances, and accounts payable to suppliers and creditors.

The financial liabilities are generally recognized for the cash received, net of costs involved in the transaction. In subsequent periods, these liabilities are measured at amortized cost using the effective interest rate method.

Accounts payable to suppliers and creditors are short-term financial liabilities measured at their nominal value, which does not differ significantly from fair value.

The Group derecognizes a financial liability if, and only if, it has expired, been settled, or when the Group has fulfilled its obligations. The difference between the carrying amount of the derecognized financial liability and the consideration paid or payable is recognized in profit or loss.

4.2.3 Derivative financial instruments - A derivative financial instrument is an instrument whose value varies depending on the changes of a variable, such as an interest rate, exchange rate, the price of a financial asset, a rating or a credit index. Instruments of this type do not require an initial investment, or the investment is less compared to other financial instruments with similar responses to changes in market conditions, and they are generally settled at a future date.

Transactions with derivative financial instruments - The derivative instruments are initially recognized at fair value on the date the derivative contract is signed, and they are subsequently remeasured at fair value at the end of each reporting period. Any gain or loss is recognized immediately in profit or loss, unless the instrument is designated and is effective as a hedging instrument, in which case the timing of recognition in profit or loss will depend on the nature of the hedging relationship.

GEB uses different financial instruments to manage its exposure to exchange rate risks. Financial debt is measured at amortized cost. Gains or losses arising from exchange differences in obligations denominated in foreign currency are recognized in the current period's profit or loss, unless the financial obligation is designated as a hedging instrument, in which case the timing of recognition through profit or loss depends on the nature of the hedging relationship.

4.2.4 *Hedging of net investments abroad* - When a derivative instrument or a non-derivative financial liability is designated as a hedging instrument to hedge the net investment in a business abroad, the effective portion of the changes in the fair value of a derivative, or the currency exchange losses of gains of a non-derivative instrument, is recognized in the OCI and is presented under the exchange reserve account under equity. Any ineffective portion of the changes in fair value of the derivative or of the currency exchange gains or losses of the non-derivative is immediately recognized through profit or loss. The amount recognized in OCI is fully or partly reclassified to profit or loss as a reclassification adjustment upon the full or partial disposal of the business abroad, respectively.

Hedge accounting is discontinued when the hedge relationship does not meet the requirements of the effectiveness test; the hedge instrument is terminated, sold or exercised; the item no longer fulfills the conditions for hedge accounting, or the hedging relationship no longer fulfills the risk management objectives.

4.2.5 *Fair value of financial instruments* - The fair value of all financial assets and liabilities is measured at the reporting date, for its recognition or disclosure in the notes to the consolidated financial statements.

In measuring fair value, the characteristics of the asset or liability are taken into consideration in the same manner that market participants would set the price of the asset or liability at the measurement date. The following elements are used to assess the estimates:

Level 1: Based on quoted prices (unadjusted) in active markets for identical assets or liabilities the Group can access at the measurement date.

Level 2: Based on data from valuation methods commonly used by market participants. Such data are different from the quoted prices that are directly or indirectly observable for the assets or liabilities. It considers as inputs quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in non-active markets; inputs other than observable quoted prices for assets or liabilities, such as observable interest rates and yield curves at commonly quoted intervals, implicit volatility and credit differentials, and inputs corroborated by the market.

Level 3: Based on internal valuation techniques using discounted cash flows and other valuation methods, where one or more of the data are non-observable, and which are therefore estimated by the Group for the assets or liabilities, in the absence of observable data.

4.3 Inventories

The Group's inventories consist of stocks of materials over which it has acquired the risks and rewards of ownership. Inventories are presented in the consolidated statement of financial position under current assets.

Inventories are measured at whichever is less between the acquisition cost and net realizable value. Cost is calculated using the weighted average method. The net realizable value is the estimated sales price less all estimated costs.

The inventories acquisition cost includes the purchase cost and all costs directly or indirectly attributable to the inventory item, including, for example, transportation, customs fees, insurance, non-recoverable indirect taxes, etc., less any discounts, rebates or trade premiums.

The inventory cost might not be recoverable if the inventory items are damaged, are partially or totally obsolete, or have low turnover.

Obsolete materials are defined as those that are not expected to be sold or used over the Group's ordinary operating cycle, including, for example, scrap material. The Group establishes an allowance for inventory based on the obsolescence and impairment of the inventory items.

4.4 Non-current assets held for sale

Non-current assets (and groups of assets for disposal) classified as held for sale are recognized at whichever is less between their carrying amount and the fair value of the assets less selling costs.

The non-current assets and the groups for disposal are classified as held for sale if their carrying amount will be recovered through a sales transaction rather than through their continued use. This condition is held to be fulfilled when the sale is highly probable, and the asset (or group of assets for sale) is available for immediate sale in its current condition. Management must be committed to the sale, and it must be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sales plan that implies the disposal of an investment in an associate, or part of an investment in an associate, the investment or part of the investment in the associate to be disposed of is classified as held for sale when the above criteria are fulfilled. The Group stops applying the equity method to the portion classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be measured using the equity method.

4.5 Property, plant and equipment

The Group measures its property, plant and equipment at the purchase price, net of accumulated depreciation and any impairment losses.

Land is not depreciated. Constructions in progress for the effects of service provision are recognized at cost less any recognized impairment losses. The cost includes professional fees, and in the case of qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Constructions in progress are transferred to assets in use once the testing period has been completed, i.e., when they are ready to be used in the conditions foreseen by Management.

In addition to the cost paid to acquire each component, the cost also includes, as the case may be, the following:

- General and specific borrowing costs that are directly attributable to the acquisition, construction or production of suitable assets, whenever the assets necessarily take a long time to prepare before they are ready for their intended use or sale, are added to the cost of these assets until they are substantially ready for their intended use or sale. The Group defines a long time period as longer than twelve months. The interest rate used is the rate of the specific loan, or, if unavailable, the average financing rate of the company that makes the investment.
- Personnel expenses directly related to the constructions in progress.
- Future disbursements the Group must make to close down the facilities are included in the asset's cost at the updated value, recognizing a provision for dismantling or restoration.

Expansion, updating or upgrading costs that increase the assets' productivity, capacity or useful life are capitalized as a greater cost of the corresponding assets.

The replacement or refurbishing of complete elements that extend the asset's useful life or economic capacity are recognized as a greater cost of the assets, with the consequent derecognition of the replaced or refurbished elements.

Periodic maintenance, conservation and repair expenses are recognized directly in the consolidated income statement as costs in the period in which they are incurred.

Depreciation is recognized to charge the cost of the assets (except land and constructions in progress) to profit or loss, less their residual values, over their useful lives using the straight line method. The estimated useful life, residual value and depreciation method are reviewed at the end of each year, and any changes in the estimations are recognized prospectively.

An item of property, plant and equipment is derecognized when it is sold or when no further future economic benefits are expected from the continued use of the asset. The gain or loss arising from the sale or withdrawal of an item of property, plant and equipment is calculated as the difference between the resources received from the sale and the carrying amount of the asset, and is recognized in profit or loss.

(Amounts in COP million)

The following are the main classes of property, plant and equipment and their respective estimated useful lives in years:

	Electricity transmission	Electricity distribution	Gas distribution	Natural gas transport
Buildings	50	40 to 50	-	20 to 50
Plants, ducts and stations	10 to 40	15 to 40	-	10 to 50
Networks, lines and cables	40 to 63	15 to 40	-	-
Machinery and equipment	10	15 to 40	10	10
Furniture and accessories	10	5 to 10	10	10
Communications equipment	10	3 to 10	-	3 to 5
Computer equipment	5	3 to 10	4	3 to 5
Transportation equipment	5	5	4 to 5	5
Other equipment	10	3 to 10	4 to 10	5

Asset retirement obligations – The Group recognizes an asset retirement obligation at the present value of the future costs that are expected to be incurred when the assets are decommissioned, if it has a legal obligation for their retirement and the fair value can be estimated. This value is recognized as an increase in the carrying value of the assets.

4.6 Investment properties

Investment properties are those maintained to earn income and/or goodwill (including investment properties under construction for such purpose). They are initially measured at the acquisition cost, including the costs incurred in the transaction. After initial recognition, investment properties are measured at cost less accumulated depreciation.

An investment property is derecognized upon disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss from the derecognition of the property (calculated as the difference between the net revenues from disposal and the carrying value of the asset) is included in the income statement of the period in which the property is derecognized.

4.7 Intangible assets

4.7.1 *Intangible assets acquired separately*– Intangible assets with finite useful life acquired separately are measured at the acquisition cost less accumulated amortization and impairment. Amortization is recognized using the straight-line method over the estimated useful live. The estimated useful life and amortization method are reviewed at the end of each year, and any changes in the estimations are recognized prospectively.

(Amounts in COP million)

Intangible assets with indefinite useful life acquired separately are measured at cost less accumulated impairment.

The intangible assets mainly consist of computer programs and rights of way and rights of use. They are initially recognized at the acquisition or production cost, and they are subsequently measured at cost less accumulated amortization and any impairment they may have suffered.

The following are the useful lives used to calculate amortization:

Rights of way	30 years (average)
Business rights	10-65 years
Concession assets	30-33 years
Software and licenses	5 years

The useful lives of the rights of way and rights of use are linked to the duration of the main asset for which they were acquired. Amortization of the rights of way and associated rights begins when the main asset begins to operate.

4.7.2 *Derecognition of intangible assets*– An intangible asset is derecognized when it is sold, or when no future economic benefits are expected from its use or disposal. Any gain or loss from the derecognition of an intangible asset, measured as the difference between the net revenues and the carrying value of the asset, is recognized in profit or loss when the asset is derecognized.

4.7.3 *Concessions* - The Group's subsidiaries Contugas S.A.C. and Gas Natural de Lima y Callao S.A. treat a Build-Own-Operate-Transfer (BOOT) contract as a concession in accordance with the guidelines established in IFRIC 12 – Concession Contracts. The Group considers that IFRIC 12 applies because:

- The Ministry of Energy and Mines ("grantor") regulates the services that must be provided by the Contugas and Calidda subsidiaries, defines the method for setting rates, and controls contract fulfillment.

- The Ministry of Energy and Mines controls a significant portion of the residual value of the concession, given that the assets will be returned to the grantor at the end of the contract at its carrying value.

- The infrastructure was built exclusively for the concession. Said construction is not performed directly by Contugas and Calidda, but is assigned to a third party under its supervision and responsibility.

Management considers that the IFRIC 12 model that applies to the Group is the intangible model, because Contugas and Calidda have the right to charge for the natural gas distribution services, which are associated to actual consumption by the users, and are governed by the regulatory regime established by the OSINERGMIN regulatory agency. The government also controls any residual interest in the assets, if any.

The distribution assets under construction or improvement are classified as contract assets, and are assets that will form part of the right to charge for the natural gas distribution services.

The construction revenues on the concession's assets are measured at the fair value of the consideration paid or payable. To these effects, the Contugas and Calidda subsidiaries will use a margin of 0% on the construction costs incurred, because the construction contracts are with independent third parties and the margin is not retained by the concession, taking into consideration that they would be the market prices that the clients would pay if they directly contracted the services with said third parties, because they are expected to produce future economic benefits for Contugas and Calidda, since according to law they will be remunerated through rates.

The concession assets include professional fees, and for qualifying assets they include borrowing costs. The subsidiary recognizes the amortization expense using the straight-line method over the remaining term of the concession contract.

The term of Calidda's concession is 33 years, starting on December 9, 2020 until 2033. The Contugas concession has a 30 year term, starting on September 19, 2011 until 2042 (includes 200 calendar days granted due to a Force Majeure event by the Ministry of Mines and Energy).

The estimations of useful life, residual interest and amortization method, as appropriate, are periodically reviewed to ensure that the amortization method and period are consistent with the pattern of expected future benefits from the concession assets.

4.7.4 *Goodwill* - It arises from business combinations and is reflected in the consolidation. It represents the difference over the consideration paid plus the amount of any non-controlling interest over the Group's equity interest in the net value of the acquired assets and assumed liabilities, measured at fair value on the acquisition date. If the accounting of a business combination, and therefore the measure of goodwill, is completed within the next year from the acquisition date, the entity recognizes the adjustments related to the provisional amounts recorded as if the accounting of the business combination had been completed at the acquisition date.

Goodwill is not amortized; instead, at the end of each reporting period, or whenever there are indications that impairment may have occurred, the Group estimates whether any impairment has reduced its recoverable value to an amount lower than its carrying value, and if such is the case, an impairment loss is recognized immediately in profit or loss.

4.8 Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying values of its tangible and intangible assets in order to determine whether there are any indications of impairment of these assets. If so, the recoverable amount of the asset is calculated in order to determine the extent of impairment (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Group calculates the recoverable amount of the cash generation unit to which the asset belongs. When a reasonable and consistent basis for allocation is identified, common assets are also assigned to the individual cash generation units, or assigned to the smallest group of cash generation units for which a reasonable and consistent basis for allocation is identified.

Intangible assets with indefinite useful lives or that are not yet available for use must be subject to annual impairment testing, or at any other time whenever indications of impairment are found.

The recoverable amount is whichever is greater between the fair value less disposal costs and value in use. In estimating the value in use, the future estimated cash flows are discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money, adjusted for any specific risks of the asset's future cash flows.

If the recoverable amount calculated for an asset (or cash generation unit) is less than its carrying amount, the carrying amount of the asset (or cash generation unit) is reduced to its recoverable amount. Impairment losses are recognized immediately in the income statement.

If impairment is subsequently reversed, the carrying amount of the asset (or cash generation unit) is increased to the revised estimated recoverable amount, ensuring that the increased carrying amount is not greater than the carrying amount that would have been calculated if no impairment had been recognized for the asset (or cash generation unit) in previous years. The reversal of impairment is automatically recognized in profit or loss.

4.8.1 Impairment of investments in subsidiaries and associates - At the end of each reporting period, the Group reviews the carrying values of its investments in subsidiaries and associates in order to determine whether there is any objective evidence of impairment of these assets. If so, impairment testing will be made on the full carrying amount of the investment (including the goodwill that is part of the cost of the investment, if applicable), in accordance with IAS 36, as if it were an individual asset, by comparing its recoverable amount (whichever is greater between the value in use and fair value less cost of disposal) and the carrying amount.

4.8.2 Impairment of assets – property, plant and equipment and investment properties – Property, plant and equipment and investment properties are tested for impairment whenever events or changes in circumstances indicate that the carrying amount might not be fully recoverable. If the recoverable value of an asset is less than its carrying amount, impairment is recognized in the income statement. The future cash flows used to calculate fair value are discounted using specific rates based on future expectations of the operations of the Group, mainly estimates of sales, costs, capital investments, among others. Changes in these estimates could affect the recoverable value of the assets. The estimates are periodically reviewed by Management.

4.9 Investments in associates and joint ventures

An associate is an entity in which the Group has significant influence over financial policy and operating decisions, but does not have full or joint control.

A joint venture is a mutual agreement through which the parties have joint control over the agreement and have rights to the net assets of the agreement.

At the acquisition date, the excess amount of the acquisition cost over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities taken on of the associate or joint venture, is recognized as goodwill. The goodwill is included in the carrying amount of the investment; it is not amortized and is subject to individual impairment testing.

Investments in joint ventures and associates are recognized in the financial statements using the equity method.

Under the equity method, the investments in associates and joint ventures are initially recognized in the statement of financial position at cost, and are subsequently adjusted to recognize the Group's share of the profit or loss and other comprehensive income of the associate.

4.10 Business Combinations

The Group recognizes Business Combinations using the acquisition method when control is transferred to the Group. Under this method, the identifiable assets, liabilities and contingent liabilities acquired or taken on in the acquisition are recognized at fair value as of the acquisition date. Any goodwill is recognized as an asset in the consolidated statement of financial position or as a profit derived from a purchase in extraordinarily advantageous conditions, as the case may be.

The consideration paid for the acquisition is measured as the fair value of the transferred assets, the liabilities taken on from the previous owners of the acquired entity, and the equity interests issued by the Group (if applicable).

When positive, goodwill is measured as the difference between the consideration paid, the value of the non-controlling interests, and, if applicable, the fair value of any shareholdings held previously, over the net fair value of the acquired assets and the liabilities and contingent liabilities taken on.

The non-controlling interest is measured at fair value, or the proportional share of the identifiable assets acquired and the liabilities and contingent liabilities taken on in the acquired entity.

Any contingent consideration is measured at fair value as of the acquisition date. If an obligation to pay a contingent consideration that meets the definition of a financial instrument is classified as equity, it must not be remeasured, and its subsequent settlement must be recognized within equity. Otherwise, the other contingent consideration is remeasured at fair value at each reporting date, and subsequent changes in the fair value of the contingent consideration are recognized through profit or loss.

Transaction costs are recognized as expenses as they incur, except those related to the issuance of debt or equity instruments.

Purchase of a group of assets:

IFRS 3 - Business Combinations does not apply to the purchase of an asset or group of assets that do not constitute a business. In this case, the individual identifiable assets that were acquired are identified and recognized (including those that meet the definition and criteria for recognition of intangible assets), as well as the assumed liabilities, and the Group's cost should be distributed among the individually identifiable assets and liabilities, on the basis of their relative fair values as of the purchase date. This transaction does not give rise to the recognition of goodwill.

4.11 Leases

A lease is defined as "a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time."

The assessment of whether a contract conveys the right to control the use of an identified asset throughout the period of use takes into consideration whether it grants:

(a) the right to obtain substantially all the economic rewards from the use of the identified asset; and

(b) the right to decide on the use of the identified asset.

The Group assesses whether a contract contains a lease at its inception. The Company recognizes a right-of-use asset and a corresponding lease liability for all lease contracts in which it acts as lessee, except short-term leases (term of 12 months of less) and leases on low-amount assets (such as tablets, personal computers, small office furnishings and telephones). For such leases, the Group recognizes the rent payments as an operating expense using the straight-line method over the term of the lase, unless a different method better represents the time pattern of the economic benefits derived from the consumption of the leased assets.

Identification of an asset – The asset covered by a lease must be specifically identified. It is identified if any of the following is true:

- The asset is explicitly specified in the contract (e.g., a specific serial number); or
- The asset is implicitly specified at the time it is made available for use by the client (e.g., when there is only one asset that can be used to fulfill the terms of the contract).

Initial measurement of the right-of-use asset - On the start date, a lessee measures a right-of-use asset at cost. The cost of the right-of-use asset shall include:

- The amount of the initial measurement of the lease liability;
- The rental payments made before or on the start date, less any lease incentives received;
- The initial indirect costs incurred by the lessee, and
- An estimation of the costs to be incurred by the lessee to dismantle and dispose of the underlying assets, restore the location where it is located, or restore the underlying asset to the conditions required by the lease terms and conditions, unless these costs are incurred to produce inventories. The lessee may incur in obligations arising from such costs either at the start date or as a result of having used the underlying asset for a given time period.

Initial measurement of the lease liability – At the start date, a lessee measures the lease liability at the present value of the rental payments that have not been paid at that date.

The rental payments are discounted using the implicit interest rate in the lease, if it is easily determinable. If this rate is not easily determinable, the lessee uses the incremental rate of the lessee's loans.

On the start date, the lease payments included in the measurement of the lease liability include the following payments for the right of use of the underlying asset over the term of the lease that have not been paid as of the start date:

- Fixed installments, less any lease incentives receivable;
- Variable lease payments that are tied to an index or rate, initially measured using the index or rate as of the start date;
- Amounts the lessee expects to pay as guarantee for the residual value;
- The price of exercising a purchase option if the lessee is reasonably certain that it will exercise such option;
- Payments of penalties for lease termination, if the term of the lease reflects that the lessee will exercise an option to terminate the lease.

Subsequent measurement of the right-of-use asset – After the start date, the Group measures the right-of-use asset using the cost model.

4.12 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets that require a substantial time period to prepare for their use or sale are added to the cost of such assets during such period up to when they are ready for use or sale.

The revenues obtained on the temporary investments of funds for specific loans pending use in the qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

4.13 Employee benefits

The defined benefit obligations are calculated each year by a qualified actuary using the projected unit credit method. According to IAS 19, an entity uses an actuarial technique (the projected unit credit method) to estimate the final cost to the entity that the employees have earned in exchange for their services in the current and previous periods; discounts this benefit to determine the present value of the defined benefit obligation and the current cost of the service; deducts the fair value of any plan assets from the present value of the defined benefit obligation; determines the deficit or surplus amount; and determines the amount to be recognized in profit or loss and other comprehensive income in the current period. These measurements are updated on each reporting date.

The employee benefits include:

(a) Short-term employee benefits such as the following, if they are expected to be fully settled within twelve months from the annual reporting period during which the employees provided the associated services:

- (i) wages, salaries and social security contributions;
- (ii) remunerated leaves of absence and remunerated sick leave;
- (iii) profit sharing benefits and incentives, and

(b) Post-employment and other long-term benefits.

In the case of defined benefit plans, which include seniority bonuses and pensions, the cost is determined using the projected credit unit method, based on actuarial calculations made at the end of each reporting period.

Remeasurements of the net defined benefit liabilities (assets) recognized in other comprehensive income are not reclassified to profit or loss in subsequent periods.

Net interest is calculated using the discount rate at the start of the obligation period of the defined benefit assets or liabilities. Defined benefit costs are classified as follows:

- Cost of service (including the current cost of service, the cost of previous services, as well as gains or losses from reductions and settlements).

- Net interest expenses or revenues.

The Group presents the first two components of defined benefit costs as revenue or expense, depending on the item. Gains or losses for reduction of the service are recognized as costs of past services.

The retirement benefit obligations recognized in the statement of financial position represent the current gains and losses of the Group's defined benefit plans. Any gain arising from this calculation is limited to the present value of any economic benefit available from the reimbursements and any reduction of future contributions to the plan.

4.14 Income tax

The taxes include the amount of the mandatory obligations arising from privately prepared tax returns, determined using the tax rates of the respective tax period, in accordance with national and territorial tax regulations.

The income tax expense represents the sum of the current income tax payable and deferred tax.

Current tax - The current income tax is based on the taxable income reported during the year. Taxable income differs from the net income reported in the comprehensive income statement due to income or expenses that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's current tax liability is calculated using the tax rates that have been enacted or substantially enacted at the end of the reporting period. The Group recognizes the income tax provision based on taxable income, estimated at the rates specified by tax law.

Deferred tax - The differences between the carrying amount of assets and liabilities and their tax bases give rise to asset or liability deferred tax balances, which are calculated using the tax rates that are expected to be in force when the assets and liabilities are to be realized, considering for these effects the rates that at the end of the reporting period have been enacted or substantially enacted.

Deferred tax assets are recognized for all temporary tax differences in deductibles, losses and unused tax credits, to the extent that it is probable that sufficient taxable income will be available in the future to recover the temporary tax differences in deductibles and make effective the tax credits, except when the deferred tax asset related to a temporary difference in deductibles arises from the initial recognition of an asset or liability in a transaction that:

- Is not a business combination, and

- At the time it was made it did not affect accounting net income nor taxable income (losses).

Regarding the temporary differences in tax deductibles related to investments in subsidiaries, associates and joint ventures, the deferred tax assets are recognized only to the extent that it is probable that the temporary differences will revert in the foreseeable future and that taxable income is available against which to use the temporary differences.

Deferred tax liabilities are recognized for all temporary differences, except those derived from the initial recognition of goodwill and those arising from the valuation of investments in subsidiaries, associates and joint ventures in which the Group can control their reversion and it is probable that they will not revert in the foreseeable future.

The effect of temporary differences that imply payment of a lesser or larger amount of income tax in the current year is recognized as a deferred tax credit or debit, respectively, at the tax rate in effect when the differences are reverted, as long as there is a reasonable expectation that such differences will revert in the future, and additionally for an asset, that at that time sufficient taxable income will be available.

The income tax expense is recognized in accordance with IAS 12 “Income Tax”.

The current tax and the changes in deferred tax assets and liabilities are recognized in profit or loss for the period, other comprehensive income or consolidated equity, depending on where the profit or loss that gave rise to them was recognized.

Any tax credits that may apply to the calculated current tax liability are recognized in profit or loss in the “income tax expense” item, except when there are any doubts that they can be realized for tax effects, in which case they are not recognized until they have effectively materialized, or when they arise from specific tax incentives, in which case they are recognized as subsidies.

At the end of each reporting period the recognized deferred tax assets and liabilities are reviewed, in order to verify that they remain current, and any appropriate adjustments are made based on the results of such analysis.

The income tax is presented in net terms, after deducting any prepayments made and income tax withholdings in favor.

The deferred tax assets and liabilities are presented in net terms in the statement of financial position if there is a legally enforceable right to offset the current tax assets against the current tax liabilities, and only if such deferred taxes are related to income taxes of the same tax authority.

The Group periodically reviews the tax positions taken in the tax returns to establish any possible tax contingencies, as long as a present obligation exists and it is probable that an outflow of economic resources from the Group will be required to settle the obligation, making the best estimate of the obligation amount.

4.15 Provisions

Existing obligations at the reporting date of these financial statements that arise from past events and whose materialization will probably produce impairment of the Group's equity, and whose amount at the time of settlement is uncertain, are recognized in the statement of financial position as provisions, measured at the present value of the most probable estimated amount that the Group will have to disburse to settle the obligation.

The provisions are quantified taking into consideration the best information available at the financial statement reporting date of the consequences of the associated event, and they are remeasured at each subsequent reporting date.

The Company includes under provisions the best estimates of the risks arising from civil, labor and administrative proceedings, which implies that no further liabilities are expected over those that have been recognized. Given the characteristics of the risks covered by these provisions, it is not possible to determine a certain date of settlement of the estimated liability. The assessment of the probability of loss takes into consideration all available evidence, legal precedents and legal analysis.

The risks arising from civil and labor proceedings that are considered possible are disclosed in the notes to the financial statements.

A contingent asset arises from the occurrence, or non-occurrence, of one or more uncertain future events that are not fully under the entity's control. It is disclosed when an inflow of benefits is probable. If the realization of the income is practically certain, it is recognized in the financial statements. The Group does not recognize contingent assets.

Contingent liabilities are not recognized, but are disclosed in the explanatory notes when the probability of an outflow of resources is possible, including those whose amount cannot be estimated.

The disbursements related to environmental conservation associated with revenues from current or future operations are recognized as expenses or assets, as the case may be. These provisions are created based on the identification of an obligation related to environmental remediation on which the Group has adequate information to make a reasonable estimate of the respective cost.

4.16 Revenue recognition

The Group recognizes revenues from contracts with customers related to the activities of electricity transmission and distribution and natural gas transportation and distribution:

- Electricity transmission: The electricity transport service through high voltage networks, plus the connection services to the National Transmission System, and coordination, control and supervision of the operation of the transmission assets. The transmission service is remunerated for the availability of the networks and infrastructure; revenues are recognized over time.

- Electricity distribution: After receiving the electric energy from the generation process, GEB is responsible for reducing its voltage at the substations. Then the electric energy passes through transformers located on city electricity poles. This entire process is carried out through distribution networks, which consist of the lines and substations -and their associated equipment- deployed to serve the users. It serves residential, commercial and government customers. Revenues are recognized at a specific point in time.

- Natural gas transportation: It is the service of transporting gas through pipelines to cities for use by households, industry and vehicles. Some of its main customers include ECOPETROL, Gases de Oriente and others. Revenues are recognized at a specific point in time.

- Natural gas distribution: It is the service of supplying natural gas by distributing it from a distribution substation through networks, and delivering the gas to each user, covering household, commercial, industrial and vehicle markets. The services are invoiced on a monthly basis based on cyclical meter readings and applicable rates. The revenues of each period during which the service is provided are recognized at a given point in time.

During the construction phase of the distribution network, the Group recognizes an intangible asset arising from a service concession contract when it has the right to charge for the use of the infrastructure under concession. The construction revenues and costs associated with the construction of a concession are recognized in the income statement over time. This applies to the subsidiaries Contugas and Calidda.

The revenues are recognized when control over a good or services is transferred to the customer. Revenues are measured based on the consideration that the Group is expected to be entitled to for said transfer of control, excluding amounts charged on the account of third parties. The Group reviews and takes into consideration all the relevant facts and circumstances to recognize revenues, applying the five-step model, as follows:

i. Identify the contract (or contracts) with the customer

ii. Identify the performance obligations of the contract

iii. Establish the transaction price

iv. Allocate the transaction price among the performance obligations of the contract

v. Recognize revenues from ordinary activities when (or as) the entity fulfills each performance obligation

When (or as) the performance obligations are satisfied, the Group recognizes as revenue from ordinary activities the amount of the transaction price allocated to that performance obligation.

A contract is an agreement between two or more parties that gives rise to enforceable rights and obligations. The enforceability of the rights and obligations of a contract depends on the legal system. Contracts may be in writing, oral, or be implicit in the Group’s traditional business practices.

4.17 Recognition of costs and expenses

The Group recognizes costs and expenses as the economic events occur, in such a manner that they are systematically recorded in the corresponding accounting period, independently from their monetary or financial flows. The expenses consist of outlays that do not quality to be recognized as costs or investments.

Costs include the costs of personnel or third parties directly involved in providing services, depreciation, and amortization, among others.

Expenses include asset maintenance, taxes, and public utilities, among others. All are incurred in the processes involved in providing the services.

Costs directly related to building or acquiring assets that require a substantial amount of time to bring to the required conditions of use or sale are recognized as investment. Costs capitalized in constructions in progress include the costs of personnel directly involved in project construction, borrowing costs on the loans received to finance projects, and major maintenance costs that lengthen the useful lives of existing assets, among others.

4.18 Statement of Cash Flow

The statement of cash flow summarizes the cash movements made during the year, determined by the indirect method using the terms with the meanings described below:

- Cash flows: Inflows and outflows of cash and cash equivalents, the latter defined as highly liquid investments with terms of three months or less and low risk of changes in value.
- Operating activities: The activities that represent the main source of ordinary revenues for the Group, as well as other activities not classified as investment or financing activities.
- Investment activities: The acquisition, sale or disposal by other means of non-current assets and other investments not included in cash and cash equivalents.
- Financing activities: Activities that produce changes in the size and composition of total equity and financial liabilities.

4.19 Related parties

Related parties are defined as those over which the Group has control, significant influence or joint control in their decision-making, or in which it is a member of key management personnel.

4.20 Earnings per share

Basic earnings per share is calculated as the quotient between net income for the year attributable to the Company and the weighted average number of ordinary shares of the Company outstanding during the period.

4.21 Fair value

It is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market, or otherwise, the most advantageous price to which the Group has access at that date. The fair value of a liability reflects the risk of default.

Some of the Group's policies and disclosure require the measurement of fair value, both for financial and non-financial assets and liabilities. When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. An "active" market is one where transactions of the asset or liability take place with sufficient frequency and volume for pricing information to be provided on an ongoing basis. If a quoted price in an active market is not available, the Group uses valuation techniques that maximize the use of relevant observable data and minimize the use of non-observable data. The valuation technique that is selected should incorporate all the factors that market participants would take into account for setting the price of a transaction. If an asset or liability measured at fair value has both a buy price and sell price, the Group measures the assets and long position at the buy price and the liabilities and short positions at the sell price.

The best evidence of the fair value of a financial instrument upon initial recognition is normally the transaction price, i.e., the fair value of the consideration paid or received. If the Group determines that the fair value at initial recognition differs from the transaction price and its fair value is not available either as a quoted price in an active market for an identical asset or liability, nor is based on a valuation technique that uses judgments of non-observable data that are insignificant for the effects of measurement, then the financial instrument is initially measured at its fair value, adjusted to defer the difference between the fair value upon initial recognition and the transaction price.

Subsequently, that difference is recognized through profit or loss on an adequate basis over the life of the instrument, but at the latest when the valuation is fully backed by observable market data or when the transaction is settled.

Fair value measurement

The Group has an established control framework for the measurement of fair value. It includes a valuation team whose general responsibility is to supervise all important fair value measurements, including Level 3 fair values.

The valuation team periodically reviews important non-observable data and valuation adjustments. If third-party information is used to measure fair value, such as broker quotes or pricing vendor prices, the valuation team reviews the evidence obtained from third parties to support the conclusion that such valuations fulfill the requirements of the accounting standards, including the fair value hierarchy in which the valuations must be classified.

Major valuation issues are reported to the Group's Audit Committee. When measuring the fair value of an asset or liability, the Group uses, inasmuch as possible, observable market data. Fair values are classified into the different levels of the fair value hierarchy based on the type of data used and the valuation techniques, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: Data other than the quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derivatives of prices).

- Level 3: Input data for the asset or liability that are not based on observable market data (non-observable inputs).

If the input data used to measure the fair value of an asset or liability belong to different levels of the fair value hierarchy, the entire fair value measurement is classified in the lowest fair value hierarchy level, which shall apply to the entire measurement.

The Group recognizes transfers between fair value hierarchy levels at the end of the period in which the change was made.

5. Critical accounting judgments and estimations

In applying the accounting policies, which are described in Note 4, Management must make judgments, estimates and assumptions about the carrying amounts of the assets and liabilities that apparently are not derived from other sources. The estimates and their associated assumptions are based on historical experience and other factors that are deemed relevant. The actual outcomes may differ from such estimates.

The underlying estimates and assumptions are regularly reviewed. The revisions of accounting estimates are recognized in the period of the revision if the revision only affects that period, or in future periods if the revision affects both the current and subsequent periods.

5.1 Critical judgments

The following are the main critical judgments, other than those involving estimates, that the Group's Management has used in the application of the Group's accounting policies and that have a significant impact on the amounts recognized in the financial statements. The judgments basically refer to:

Contingencies - The Group has established provisions for the estimated impact of losses related to various claims, situations or circumstances that have uncertain outcomes. The Group recognizes a loss if an event occurred on or before the reporting date of the statement of financial position, and (i) information is available on the date when the financial statements were issued indicating that it is probable that the loss will occur, given the probability of uncertain future events, and (ii) the amount of the loss can be reasonably estimated.

The Group continuously assesses contingencies arising from judgments, environmental remediation and other events.

Deferred tax - Judgment is required to determine whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those derived from unused tax losses, require Management to assess the probability that the Group will generate sufficient taxable income in future periods to be able to use the recognized deferred tax assets. The assumptions on the generation of taxable income in the future depend on expectations about future cash flows. The estimations of future taxable income are based on the forecast cash flows of the operations and judgments on the application of tax laws in effect in each jurisdiction. If the future cash flows and taxable income differ significantly from the estimations, the Group's capacity to realize the net deferred tax assets recognized as of the reporting date could be affected.

Functional currency - The functional currency of Grupo Energía Bogotá S.A. E.S.P. and each of its investments in subsidiaries, associates and joint ventures is determined based on the principles and indicators set out in IAS 21: "The Effects of Changes in Foreign Exchange Rates."

Management used its judgment to apply the primary factors, as well as to determine their sufficiency to conclude on the functional currency. In applying the primary factors, such as the currency that fundamentally influences the sales prices of the services, additional factors were taken into consideration, such as: (i) whether the industry in which the subsidiary operates is regulated and whether regulatory or market operation entities are involved in setting prices (for example, Calidda and Contugas) and/or whether the services are invoiced in different currencies depending on the type of customer (for example, Calidda and Contugas), among others; and (ii) the Group and its subsidiaries manage different types of currencies in which the costs of acquired goods and services are denominated, which implies that additional assessments must be made to determine which currency has a fundamental influence on the cost of service provision.

Cash generation units - For the effects of impairment testing of non-current assets, assets that do not generate cash flows that are largely independent from the cash flows generated by other assets or groups of assets must be grouped into the cash generation unit to which the asset belongs, which is the smallest group of identifiable assets that generates cash inflows for the Group, and that is largely independent from the cash flows derived from other assets or groups of assets. Management uses its judgment to determine the cash generation units for the effects of impairment testing.

Determining the average exchange rates for the translation of the financial statements - The consolidated revenues, costs and expenses of the subsidiaries whose functional currency is different from the functional currency of the parent company are translated into the presentation currency using the average exchange rate of the reporting period. Management considers that the average exchange rates are approximately equal to the rates in effect on the transaction dates.

5.2 Key sources of uncertainty in the estimations

The following are the key sources of uncertainty in the estimations at the end of the reporting period that have a significant risk of giving rise to substantial adjustments to the carrying values of assets and liabilities.

Useful lives of property, plant and equipment - The Group's management establishes the estimated useful lives and the associated depreciation charges for its property, plant and equipment. This estimation is based on projected life cycles. These may change due to technical innovations or competitive actions in response to severe industrial cycles. Management increases depreciation charges whenever the useful lives are shorter than those estimated previously, or derecognizes or amortizes technically obsolete or non-strategic assets that have been abandoned or sold.

Employee benefits - The cost of the defined benefit pension plan, other post-retirement benefits, and the present value of pension obligations are determined based on actuarial valuations. Actuarial valuations involve several assumptions that may differ from actual future outcomes. These include determining the discount rate, future salary increases, mortality rates, and increases in pensions. Due to the complexity of the valuation process and its long-term nature, the obligations are sensitive to changes in these assumptions. All the assumptions are reviewed on each reporting date.

Impairment of investments in associates – At the end of each reporting period, the Group reviews the carrying values of its investments in associates in order to determine whether there are any indications of impairment of these assets. If so, the recoverable amount of the asset is calculated in order to determine the extent of the impairment loss (if any).

Impairment of goodwill - Determining the impairment of goodwill involves calculating the value in use of the cash generation units to which the goodwill has been assigned. To determine the value in use, the Group must estimate the future cash flows that should be generated by the cash generation units and an appropriate discount rate to calculate the present value.

Impairment of assets – property, plant and equipment and investment properties - Investments in joint ventures, other investments, advance payments and loans, property, plant and equipment and intangible assets (including concession assets) are tested for impairment whenever events or changes in circumstances indicate that their carrying amount might not be fully recovered.

The Group performs impairment testing of the concession contract assets of Contugas whenever there is objective evidence that the assets' carrying value is greater than their recoverable value. Such measurement is considered a complex estimation for the preparation of the consolidated financial statements, due to the high level of judgment involved in preparing the financial model to determine whether the concession contract asset of Contugas is impaired, based on the approach required by IAS 36.

If the recoverable value of an asset is less than its carrying amount, an impairment loss is recognized in the income statement. The future cash flows used to calculate fair value are discounted using specific rates based on future expectations of the Company's operations, mainly estimates of sales, costs, commodity prices, capital investments, among others. Changes in these estimates could affect the recoverable value of the assets. The estimates are periodically reviewed by Management.

Impairment of financial assets – The Group recognizes an allowance for expected credit losses on investments in debt instruments measured at amortized cost or at fair value through comprehensive income, lease accounts receivable, balances owed by clients in construction contracts, as well as credit commitments in favor and financial guarantee contracts. No impairment losses are recognized on investments in equity instruments. The amount of expected credit losses is updated on each reporting date to reflect any changes in credit risk since the initial recognition of the respective financial instrument.

The Group recognizes expected credit losses on its debt securities and trade accounts receivable at the end of the reporting period. In calculating the expected credit losses under IFRS 9, GEB and its subsidiaries use a simplified approach that allows not monitoring changes in credit risk, but instead recognizing a loss allowance based on the expected credit losses over the life of the asset on each reporting date, i.e., to recognize the expected credit losses that arise from possible default events over the expected life of the financial instrument. Whenever there is objective evidence that a financial asset is impaired, the Group recognizes an individual impairment allowance, and excludes that item from the collective assessment under the expected loss model.

To determine the expected credit losses, GEB and its subsidiaries use an allowance matrix based on the number of days a trade account receivable is past due, i.e., by grouping the accounts receivable in ranges of days past due, and applying a percentage of expected credit losses to the current balance of accounts receivable at the measurement date of each subsidiary, segmented into two homogeneous groups: the industrial business and the consumer business.

The impairment loss is recognized under management and sales expenses in the Group's consolidated income statement. When confirmation is received that a trade account receivable is deemed uncollectible, the gross carrying amount of the account receivable is derecognized against the associated allowance.

Dismantling, removal or rehabilitation liabilities – The provision for future costs of dismantling, removal and rehabilitation requires making estimates and assumptions about the relevant regulatory framework; the magnitude of the possible effects; the duration, extension and costs of the required dismantling and rehabilitation activities, and the risk-adjusted discount rates to determine the present and future value of cash outlays. If the actual future costs differ from the estimates, the amount recognized for the adjustments may affect profit or loss. The provisions, including their associated estimates and assumptions, are regularly reviewed by Management.

The calculations involved in estimating the liabilities for dismantling, removal or rehabilitation are complex and involve significant judgments by Management, such as internal cost forecasts and future inflation and discount rates.

Significant variations in the external factors used for the calculation of the estimate may have a significant effect on the financial statements.

6. Standards issued by the IASB

The following accounting pronouncements issued and incorporated in the accounting framework accepted in Colombia apply to annual periods that begin on or after January 1, 2024. They have not been applied in the preparation of these separate financial statements. The Group plans to adopt the applicable accounting standards on their respective effective dates, and will not choose early adoption.

Decree 1611/2023 updated the technical framework of the Accounting and Financial Reporting Standards accepted in Colombia, mainly incorporating amendments to standards that had been previously compiled in Decrees 938/2022, 2270/2019 and 1432/2020, which considered the rules incorporated by means of Decrees 2420 and 2496/2015, 2131/2016, 2170/2017 and 2483/2019.

Classification of Liabilities as Current or Non-current – Amendments to IAS 1

The limited scope amendments to IAS 1 - Presentation of Financial Statements clarify that liabilities are classified as current or non-current depending on the rights that exist at the end of the reporting period. The classification is not affected by the entity's expectations or subsequent events from the reporting date (for example, breach of an agreement). The amendments also clarify the meaning of "settlement" of a liability under IAS 1.

The amendments could affect the classification of liabilities, particularly for entities that previously took into consideration Management's intentions for determining the classification, and for certain liabilities that are convertible into equity. The amendments must be applied retrospectively in accordance with the standard requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

After these amendments were approved, the IASB issued a draft standard that proposes additional changes and the postponement of the amendments at least until January 1, 2024.

The Group does not expect any significant impact from this amendment, and is in any case reviewing the impact it may have on the financial statements.

Disclosure of accounting policies: amendments to IAS 1 and IFRS Practice Statement 2

The IASB amended IAS 1 to require entities to disclose their material accounting policies rather than significant accounting policies. The amendments define "material information on accounting policies" and explain how to identify when the information on accounting policies is material. They also clarify that it is not necessary to disclose non-material information about the accounting policies. If disclosed, it should not conceal the material accounting information. To support this amendment, the IASB also amended the IFRS Practice Statement 2 - Making Materiality Judgments to provide guidance on how to apply the concept of materiality to the disclosure of accounting policies.

The Group does not expect any significant impact from this amendment, and is in any case reviewing the impact it may have on the financial statements.

Definition of Accounting Estimates – Amendments to IAS 8

The amendment to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors clarifies how a company should distinguish between changes in accounting policies and changes in accounting estimates. This distinction is important because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies generally apply retrospectively to past transactions and other past events, as well as the current period.

The Group does not expect any significant impact from this amendment, and is in any case reviewing the impact it may have on the financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12 (Note 29 presents a model for disclosure of policy changes on this matter, assuming adoption in 2023)

The amendments to IAS 12 - Income Tax require companies to recognize deferred tax on transactions that at initial recognition give rise to equal amounts of taxable and deductible temporary differences. In general, they apply to transactions such as lessee accounting of leases, and dismantling obligations that require the recognition of additional deferred tax assets and liabilities.

The amendment must be applied to transactions made on or after the beginning of the first comparative period that is presented. Additionally, entities should recognize deferred tax assets (to the extent that they will be usable) and deferred tax liabilities at the beginning of the first comparative period for all deductible and taxable temporary differences associated with:

- right of use assets and lease liabilities, and

- dismantling, restoring and similar liabilities, and the corresponding amounts are recognized as part of the cost of the associated assets.

The accumulated amount of recognition of these adjustments are recognized in retained earnings or in another component of equity, as applicable.

IAS 12 had not previously addressed how to recognize the tax effects of leases and similar transactions on the balance sheet, and several approaches were considered acceptable. The Group had already decided to recognize these transactions according to the new requirements, and therefore does not expect material impacts from this amendment, and it is any case reviewing the impact it may have on the financial statements.

Lease Liability in a Sale and Leaseback

The IASB completed its limited scope amendments to the requirements for sale and leaseback transaction in IFRS 16 - Leases, which explains how an entity recognizes a sale and leaseback after the transaction date. The amendments specify that in the subsequent measurement of the liability on the sale with leaseback, the seller-lessee measures the “rental payments” and the “revised rental payments” in such a manner that the seller-lessee does not recognize any amount of gain or loss associated with the right of use that it maintains. This could particularly affect sale and leaseback agreements in which the rental payments include variable payments that are not tied to an index or rate.

The Group does not expect any impact from this rule, given that it has not entered into sale and leaseback contracts.

Supplier Finance Arrangements

Amendments were made to IAS 7 and IFRS 7 that establish new disclosure requirements for supplier finance arrangements. The objective of the new disclosures is to provide information on supplier finance arrangements that will enable investors to assess their effects on an entity's liabilities, cash flow and exposure to liquidity risk. The new disclosures include information on the following:

- The terms and conditions of the arrangements.
- The carrying value of the financial liabilities that are part of the arrangements and the line items under which such liabilities are presented.
- The carrying value of the financial liabilities on which the suppliers have already received payment from the financial providers.
- The range of payment due dates both for the financial liabilities that are part of the arrangements, and for comparable trade accounts payable that are not part of such arrangements.
- Non-monetary changes in the carrying values of the financial liabilities of the arrangements.
- Access to financing services for suppliers and the concentration of liquidity risk with financial providers.

The IASB has provided temporary relief by not requiring comparative information in the first year, and not requiring the disclosure of specific opening balances. Additionally, the required disclosures only apply to annual periods during the first year of application. Consequently, the earliest date when the new disclosures must be made in the annual financial reports is at the end of December 2024, unless the entity's financial period is shorter than 12 months.

The Group is reviewing the impact of this requirement, but to date it has not engaged in any supplier finance arrangement.

Sales or contributions of assets between an investor and its associates or joint ventures – Amendments to IFRS 10 and IAS 28

The IASB has issued limited scope amendments to IFRS 10 - Consolidated Financial Statements and IAS 28 - Investments in Associates and Joint Ventures.

The amendments clarify the accounting treatment of sales or contributions of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed by an associate or joint venture constitute a 'business' (as defined in IFRS 3 - Business Combinations). When the non-monetary assets constitute a business, the investor shall recognize the full amount of the gain or loss in the sale or contribution of assets. When the assets do not meet the definition of a business, the investor recognizes the gain or loss only to the extent of the interest of the other investor in the associate or joint venture. The amendment applies prospectively.

In December 2015, the IASB decided to postpone the effective date of this amendment until the IASB has completed its research project on the equity method.

Agenda decisions of the IFRS Interpretation Committee issued in the last 12 months

Even though the agenda decisions of the IFRS Interpretation Committee are not part of the IFRS, they often produce explanatory material on the application of the accounting standards that provides new information that would otherwise not be available and that could not be reasonably expected to be obtained by other means. An entity may have to change its previous accounting treatment following issuance of an IFRIC agenda decision, usually as a voluntary change in accounting policies in accordance with IAS 8.

In the 24-month period ending on June 30, 2023, the following agenda decisions were issued, which did not produce changes at GEB.

- Non-refundable value added tax on Lease Payments (IFRS 16)
- Accounting for Warrants classified as Financial Liabilities upon Initial Recognition (IAS 32)
- Economic benefits from the use of a wind farm (IFRS 16)
- Third targeted longer-term refinancing operations (TLTRO III) program transactions (IFRS 9 and IAS 20)
- Demand deposits with restrictions on use derived from a contract with a third party (IAS 7)
- Principal versus Agent: Software Reseller (IFRS 15)
- Negative low emission vehicle credits (IAS 37)
- Special Purpose Acquisition Companies: Classification of Public Shares as Financial Liabilities or Equity (IAS 32)
- Transfer of Insurance Coverage under a Group of Annuity Contracts (IFRS 17);
- Special Purpose Acquisition Companies (SPAC): Accounting for warrants at acquisition
- Lessor forgiveness of lease payments (IFRS 9 and IFRS 16)
- Multi-currency groups of insurance contracts (IFRS 17 and IAS 21)
- Definition of a lease – Substitution rights (IFRS 16)

The following are the new standards issued by the International Accounting Standards Board (IASB) that have not yet been incorporated in the accounting framework accepted in Colombia:

IFRS 17 - Insurance Contracts

IFRS 17 Insurance Contracts establishes principles for the recognition, measurement, presentation and disclosure of issued insurance contracts. It also requires the application of similar principles to reinsurance contracts held and investment contracts issued with discretionary participation features. The objective is to ensure that entities provide relevant information in a manner that faithfully represents such contracts, in order to assess the effect that the contracts within the scope of IFRS 17 have on an entity's financial position, financial performance and cash flows.

IFRS 17 initially applied to annual periods starting on January 1, 2023; however, the application date was extended to annual periods starting on January 1, 2023, by means of an amendment issued by the IASB in June 2023. Early adoption is allowed.

IFRS 17 replaces IFRS 4 Insurance Contracts, which was a provisional standard that enabled entities to use a wide variety of accounting practices for insurance contracts, reflecting national accounting requirements and variations in such requirements. Some of the previous insurance accounting practices allowed by IFRS 4 did not adequately reflect the true underlying financial positions or the financial performance of the insurance contracts.

IFRS 17 requires a current measurement model in which the estimates are remeasured at each reporting date. The contracts are measured using the following components:

- Discounted probability-weighted cash flows;
- An explicit risk adjustment, and
- A Contractual Service Margin (CSM) that represents the unearned profit of the contract, which is recognized as income during the coverage period.

The standard allows choosing between recognizing the changes in discount rates in profit or loss or directly in other comprehensive income. The choice will probably reflect the manner in which insurers recognize their assets in accordance with IFRS 9.

An optional simplified approach is allowed for assigning premiums to the liability of the remaining hedge for short-term contracts, which are frequently offered by insurers that do not provide life insurance.

A modified general measurement model exists called the "variable fees method" for certain insurance contracts with life insurance in which the insured shares the yields of the underlying elements. When applying the variable fees method, the entity's share in the changes in fair value of the underlying items is included in the contractual service margin. Consequently, it is probable that the results of insurers that use this model will be less volatile than under the general model.

The new standards will affect the financial statements and key performance indicators of all entities that issue insurance policies or investment contracts with discretionary equity features.

OECD Pillar Two Rules

In December 2021, the Organization for Economic Cooperation and Development (OECD) published the rules of the Pillar Two model (Anti-base Erosion model) to reform international corporate taxes. Large multinational companies within the scope of the rules must calculate their effective tax rate in each jurisdiction where they operate, and will be under the obligation of paying a supplementary tax on the difference between the effective tax rate in each jurisdiction and a minimum rate of 15%. In May 2023, the IASB issued limited scope amendments to IAS 12 that provide temporary relief to the requirement of recognizing and disclosing deferred taxes arising from enacted or substantially enacted tax laws that implement the rules of the Pillar Two model, including tax laws that implement the qualified rules and the supplementary internal minimum taxes described in said rules. The amendments require the affected companies to disclose:

- Whether they have applied the exception to recognizing and disclosing information on deferred tax assets and liabilities related to Pillar Two income taxes.
- The current tax expense (if any) related to Pillar Two income taxes, and
- During the period between the enactment of the legislation and the effective date of the legislation, reasonable estimates on the entity's exposure to Pillar Two income taxes. If such information is unknown or cannot be reasonably estimated, a statement in this regard must be disclosed, including the progress made in the assessment of the exposure.

These amendments become effective immediately, subject to any local endorsement procedure, and prospective in accordance with IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. The disclosures on exposure are only required for annual reporting periods starting on January 1, 2023, not including interim reports.

International Accounting Standards Board Draft Standards – Climate Change

The impact of climate change on the financial statements is a high-profile topic. Investors and regulators increasingly seek evidence on how entities have incorporated Environmental, Sustainability and Governance (ESG) matters, and particularly, climate-related risk factors, in making estimates and judgments for the preparation of financial statements. Climate-related risks may include transition impacts, such as higher costs incurred by the entity as a result of the transition towards a low-carbon economy, or physical impacts, such as damages to assets as a result of catastrophic events (for example, flooding).

The accounting standards include a general requirement of disclosing the information that users need to understand the impacts of the transactions, events and particular conditions of the financial situation and financial performance of the entity. Consequently, in light of the current approach and the impact of climate change, entities must make sure they have assessed the impact of climate change and which disclosures are required in this context in order for the financial statements to comply with the IFRS.

IASB guidance and possible future developments

In 2020, the IFRS Foundation issued educational material that includes a non-exhaustive list of examples on how climate change could affect the measurement and disclosure requirements of several standards and the various paragraphs of such standards that can be referred to in order to determine how to incorporate such risks. The material also discusses materiality, and though it does not add to or change the requirements of the standards, it provides useful guidance that may benefit users and preparers in preparing and evaluating the financial statements in accordance with the IFRS.

The IASB has also decided to include a draft on climate-related risks in its agenda. Several areas that could be improved are under consideration, including:

(Amounts in COP million)

(a) reducing the threshold for disclosing uncertainty of the information required by IAS 1 - Presentation of Financial Statements
(b) broadening the requirements for value in use when performing impairment testing on assets, and
(c) developing additional guidance on the mechanisms for setting prices for contaminants.

In April 2023, the IASB staff recommended undertaking a project to further research the concerns raised by survey participants and the underlying causes of those matters, and consider what limited scope actions may be required. While this project is completed, the IASB educational material is the main source of guidance under the IFRS for considering climate-related risks. However, preparers must continue monitoring developments in this area.

ISSB Exposure Drafts

In March 2023, the International Sustainability Standards Board (ISSB) published its first two Exposure Drafts (ED). The following are the two published ED:

(a) IFRS S1. General Requirements for Disclosure of Sustainability-related Financial Information (General Requirements ED), and
(b) IFRS S2. Climate-related Disclosures.

It is not clear when the requirements proposed in the EDs will apply, because the effective date will only be defined once the jurisdictional authorities issue and adopt the standards. However, the EDs propose allowing early adoption, and also provide an exception for the disclosure of comparative information in the year of adoption.

The EDs require that:

(a) the information to be disclosed be prepared (i) at the same time as the annual financial statements (ii) for the same reporting entity of the financial statements, and
(b) inasmuch as possible, the assumptions used to prepare the information should use the same bases as the financial statements.

7. Cash and cash equivalents

For the effects of the cash flow statement, cash and cash equivalents includes cash on hand, bank accounts, deposits and trust funds. The following is the breakdown of cash and cash equivalents at the end of the year:

	December 31, 2023		December 31, 2022	
Cash and bank accounts	COP	478,649	COP	931,976
Cash equivalents (1)		1,811,055		545,845
	COP	2,289,704	COP	1,477,821

(Amounts in COP million)

(1) Short-term liquidity deposits, which are mainly of Grupo Energía Bogotá for COP 1,391,194, Transportadora de Gas Internacional S.A. E.S.P (TGI) for COP 240,556, and EEB Perú Holding for COP 86,463.

The cash and cash equivalents disclosed earlier in the statement of cash flow at December 31, 2023 and at December 31, 2022, have no balances classified as restricted cash.

8. Other investments

At December 31, 2023 and 2022, the balances of financial assets include the following:

	December 31, 2023		December 31, 2022	
Trust funds (1)	COP	52,695	COP	12,944
Investments in equity instruments		4,214		4,214
Other investments		-		85
	COP	56,909	COP	17,243
Non-current	COP	56,909	COP	17,243

(1) The increase is mainly due to new trust funds established to carry out investment projects registered in the bank of projects of works for taxes through activities developed by the Group.

9. Trade and other accounts receivable

The following are the balances of accounts receivable at December 31, 2023 and 2022:

	December 31, 2023		December 31, 2022	
Customers	COP	1,950,626	COP	1,858,129
Advance payments		34,834		23,483
Employees		52,629		90,455
Other (1)		57,361		68,198
Impairment allowance (2)		(413,772)		(473,723)
	COP	1,681,678	COP	1,566,542
Current		1,406,164		1,260,691
Non-current		275,514		305,851
	COP	1,681,678	COP	1,566,542

(1) At December 31, 2023 and 2022, it includes other accounts receivable and financial leases.

(Amounts in COP million)

(2) At December 31, 2023 and 2022, the impairment loss on trade accounts receivable and contract assets totaled COP 413,772 and COP 473,723, respectively. Information on the Group's exposure to credit risk is provided in Note 29.

10. Inventories

At December 31, 2023 and 2022, the balances of inventories include the following:

	December 31, 2023		December 31, 2022	
Construction materials	COP	428,688	COP	330,287
Gas inventory		33,769		23,835
Impairment		(7,013)		(7,943)
	COP	455,444	COP	346,179

11. Tax assets

At December 31, 2023 and 2022, the balance of tax assets includes the following:

	December 31, 2023		December 31, 2022	
Income tax (1)		438,408		306,982
VAT - Balances in favor (2)		2,228		4,905
	COP	440,636	COP	311,887
Current (3)		233,800		188,934
Non-current (3)		206,836		122,953
	COP	440,636	COP	311,887

(1) This is the income tax balance in favor, calculated as the accrued income tax less income tax withholdings and self-withholdings made during the period.

(2) The balance is mainly for VAT balances in favor.

(3) The current tax asset arises from taxes that will be offset within one year, while the non-current tax asset arises from taxes that will be offset and/or deducted in a period longer than one year. The increase in the non-current tax assets arises from VAT balances in favor of Guatemalan companies (TRECSA, EEBIS

(Amounts in COP million)

and CONECTA) generated in construction projects that will not be offset until the full remuneration for the project is received, and the VAT in real productive fixed assets will be treated as a tax credit at GEB.

12. Non-current assets held for sale

At December 31, 2023 and 2022, the balance of assets held for sale includes the following:

	December 31, 2023		December 31, 2022	
Land and buildings, net	COP	-	COP	180,809

At December 31, 2023, the assets under this classification were returned to their previous accounting classification, because due to factors beyond GEB's control the sale to possible customers was not completed. Said reclassification was made to the accounts of property, plant and equipment at the carrying amounts. In the case of buildings, depreciation was recalculated from the time on which it was suspended because it was classified as held for sale until December 31, 2023. See details in Note 15.

13. Other non-financial assets

At December 31, 2023 and 2022, the balance of other non-financial assets includes the following:

	December 31, 2023		December 31, 2022	
Insurance	COP	37,565	COP	31,108
Legal deposits		29,684		27,446
Prepaid expenses		18,295		24,997
Other		366		1,989
	COP	85,910	COP	85,540
Current		85,899		85,527
Non-current		11		13
	COP	85,910	COP	85,540

(Amounts in COP million)

14. Non-controlling interest

The following is a breakdown of non-controlling interests at December 31, 2023 and 2022:

At December 31, 2023

Company name	Country	Participation	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Gas Natural de Lima y Callao S.A.	Peru	40%	COP 469,235	COP 1,850,259	COP 318,504	COP 1,399,283

Company name	Revenues	Result	Declared dividends
Gas Natural de Lima y Callao S.A.	COP 1,653,319	COP 175,626	COP 194,641

At December 31, 2022

Company name	Country	Participation	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Gas Natural de Lima y Callao S.A.	Peru	40%	COP 539,314	COP 2,166,837	COP 328,138	COP 1,602,803

Company name	Revenues	Result	Declared dividends
Gas Natural de Lima y Callao S.A.	COP 1,414,955	COP 174,191	COP 143,811

At December 31, 2023 and 2022, income for the non-controlling interest totaled COP 175,626 and COP 174,191, respectively.

At December 31, 2023 and 2022, the accumulated balance of the non-controlling interest totaled COP 601,885 and COP 775,392, respectively.

(Amounts in COP million)

15. Investments in associates and joint ventures

The following is a breakdown of the Group's investments in associates:

Name of associate	Main activity	Country of incorporation and operations	Type	Proportion of shareholdings and voting rights	
				December 31, 2023	December 31, 2022
Enel Colombia S.A. E.S.P.	Energy	Colombia	Ordinary	42.52%	42.52%
Consorcio Transmantaro S.A.	Energy	Peru	Ordinary	40.00%	40.00%
Red de Energía del Perú S.A.	Energy	Peru	Ordinary	40.00%	40.00%
Agencia Analítica de Datos S.A.S.	Other	Colombia	Ordinary	40.00%	40.00%
VANTI S.A. E.S.P.	Gas	Colombia	Ordinary	24.99%	24.99%
EMSA S.A. E.S.P.	Energy	Colombia	Ordinary	16.23%	16.23%
Promigas S.A. E.S.P.	Gas	Colombia	Ordinary	15.24%	15.24%

The following is a breakdown of the Group's investments in joint ventures:

Name of joint venture	Main activity	Country of incorporation and operations	Type	December 31, 2023	December 31, 2022
Goias Transmissao S.A.	Electricity Transmission	Brazil	Ordinary	51.00%	51.00%
Mge Transmissao S.A.	Electricity Transmission	Brazil	Ordinary	51.00%	51.00%
Transenergia Renovavel S.A.	Electricity Transmission	Brazil	Ordinary	51.00%	51.00%
Transenergia Sao Paulo S.A.	Electricity Transmission	Brazil	Ordinary	51.00%	51.00%
ARGO S.A.	Electricity Transmission	Brazil	Ordinary	50.00%	50.00%
Argeb Energía S.A. (*)	Investment vehicle	Brazil	Ordinary	37.50%	37.50%

(*) The contractual agreement specifies that decisions on relevant activities of the contract will be agreed upon by unanimity.

The following are the corporate purposes and other relevant information of the main associates:

Enel Colombia S.A. E.S.P. – By means of Resolution No. 325-002477 of February 28, 2022, the Superintendence of Companies approved the merger between Emgesa S.A. ESP, Codensa S.A. E.S.P., Enel Green Power Colombia S.A.S. ESP and ESSA2 SpA (Central American subsidiaries) into a single company whose company name is Enel Colombia S.A. ESP.

The merger of these Grupo Enel companies involves the combination of assets in Colombia, Costa Rica, Panama and Guatemala. It also enables a corporate reorganization between Enel Américas (57.345%), Grupo Energía Bogotá (42.515%) and other minority shareholders (0.140%). The above is in the context of an Investment Framework Agreement signed with GEB in January 2021.

During 2023, the company recognized impairment on the electric energy cash generation unit Renovables de Guatemala S.A. in the amount of COP 15,670 (USD 4.1 million) approximately. Additionally, impairment was recognized for the Windpeshi project in the amount of COP 746,329. Additionally, on December 1, 2023, Central Térmica Cartagena - Termocartagena was sold for COP 138,000.

***Argo Energia Empreendimentos e Participações S.A*. –** In February 2022, the Brazilian company Argo Energia Empreendimentos e Participações S.A. (Argo), 50% owned by GEB, having fulfilled the terms of the share purchase contract signed with Rialma Administração e Participações S.A., and following approval of the transaction by Brazilian regulators, acquired all the share capital of Rialma Transmissora de Energia III S.A. (Rialma III). Rialma III was the company awarded Lot 30 of the 005/2016 auction, carried out by the National Electric Energy Agency (ANEEL) in April 2017. The concession is located in the states of Piauí, Pernambuco and Ceará, and is responsible for the construction and operation of 322 kilometers of transmission lines at 500kv – C1. From now on, the company name of Rialma III will be Argo IV Transmissão de Energia S.A.

At the end of 2022, Argo Energia Empreendimentos e Participações S.A. and Gebbras Participações Ltda (Gebbras) acquired 100% of the ordinary shares of five electric energy transmission concessions in northeastern Brazil.

They are the concessions Esperanza Transmissora de Energia S.A., Odoyá Transmissora de Energia S.A., Transmissora José Maria de Macedo de Eletricidade S.A., Giovanni Sanguinetti Transmissora de Energia S.A., and Veredas Transmissora de Energia S.A., which are in the states of Bahia, Ceará, Minas Gerais, Paraíba, Piauí and Rio Grande do Norte. They began commercial operations between 2017 and 2021. In combination they have 2,416 kilometers of transmission lines at 500 kilovolts (kV) and 230 kV and 20 substations. The acquisition was made for close to USD 834 million.

Agencia Analítica de Datos (AGATA) – During 2022, two capitalizations were made, one in January for COP 3,120 and the other in June for COP 2,085. These capitalizations did not imply a change in the percentage of the Company's shareholdings.

Argeb Energia Empreendimentos e Participações S.A –On July 29, 2022, Argeb signed a contract to acquire all the shares of Argo V Transmissão de Energia S.A. (previously ODOYA TRANSMISSORA DE ENERGIA S.A.), Argo VI Transmissão de Energia S.A., (previously Esperanza Transmissora de Energia S.A.), Transmissora JoéMaria de Macedo de Eletricidade S.A., Giovanni Sanguinetti Transmissora de Energia S.A. and Argo IX

(Amounts in COP million)

Transmissão de Energia S.A (previously Veredas Transmissora de Energia S.A.). The transfer of control took place on November 30, 2022.

At December 31, 2022, Argeb holds 100% of the shares of the following companies: Argo V Transmissão de Energia S.A. ("Argo V"), Argo VI Transmissão de Energia S.A. ("Argo VI"), Transmissora José Maria de Macedo de Eletricidade S.A. ("Argo VII"), Giovanni Sanguinetti Transmissora de Energia S.A. ("Argo VIII"), Argo IX Energia Transmissão S.A. ("Argo IX").

Consorcio Transmantaro S.A.: In December 2023, due to geological faults at the Yaros substation of the Nueva Yanango -Nueva Huánuco projects and associated substation (YANA), impairment was recognized on the value of the substation's land in the amount of COP 85,181 (USD 19.6 million), derecognition of electrical assets and civil works for COP 66,160 (US15.2 million).

The financial information regarding the Group's shareholdings in each of the associates and joint ventures is displayed below, as reported in the statement of financial position and statement of income:

At December 31, 2023

	Total net assets of the associates/joint ventures	The Group's shareholdings in the net assets of the associates/joint ventures	Goodwill	Carrying value of equity in associates and joint ventures
Associates				
Enel Colombia S.A. ESP.	13,129,057	42.52%	1,690,561	7,272,440
VANTI S.A. E.S.P.	678,913	24.99%	193,855	363,578
Red de Energía del Perú S.A.	546,059	40.00%	-	218,424
Consorcio Transmantaro S.A.	1,763,298	40.00%	45,088	750,407
Promigas S.A. E.S.P.	5,797,131	15.24%	139,803	1,023,154
Agencia Analítica de Datos S.A.S.	22,010	40.00%	-	8,804
Electrificadora del Meta S.A. E.S.P.	318,569	16.23%	-	51,689
Consorcio Electrico Yapay S.A (1)	19,553	40.00%		7,821
Total shareholdings in associates				**9,696,317**
Joint ventures				
Goias Transmissao S.A.	309,045	51.00%	-	157,613
Mge Transmissao S.A.	328,631	51.00%	-	167,602
Transenergia Renovavel S.A.	163,841	51.00%	-	83,559
Transenergia Sao Paulo S.A.	62,041	51.00%	-	31,641
Argeb Energía S.A.	3,020,595	37.50%	-	1,132,723
Argo S.A.	4,254,265	50.00%	-	2,783,313

(Amounts in COP million)

	Total net assets of the associates/joint ventures	The Group's shareholdings in the net assets of the associates/joint ventures	Goodwill	Carrying value of equity in associates and joint ventures
Total shareholdings in joint ventures				4,356,451
Total shareholdings in associates and joint ventures				14,052,768

(1) At December 31, 2023 Dunas Energía S.A.A created the company named Consorcio Electrico Yapay S.A., with a contribution of USD 2,000, in which the Company holds an equity interest jointly with ISA, and which will be the concession holder that will carry out the construction, operation, and maintenance of two projects that will increase electric energy transmission capacity in the central and northern areas of Peru.

At December 31, 2022

	Total net assets of the associates/joint ventures	The Group's shareholdings in the net assets of the associates/joint ventures	Goodwill	Carrying value of equity in associates and joint ventures
Associates				
Enel Colombia S.A. ESP. (1)	15,171,931	42.52%	1,690,561	8,140,908
VANTI S.A. E.S.P.	588,679	24.99%	193,855	341,020
Red de Energía del Perú S.A.	670,061	40.00%	-	268,024
Consorcio Transmantaro S.A.	2,284,359	40.00%	45,088	958,832
Promigas S.A. E.S.P.	5,696,741	15.24%	139,803	1,007,858
Agencia Analítica de Datos S.A.S.	23,477	40.00%	-	9,391
Electrificadora del Meta S.A. E.S.P.	320,109	16.23%	-	51,938
Total shareholdings in associates				$ 10,777,971
Joint ventures				
Goias Transmissao S.A.	364,708	51.00%	-	186,001
Mge Transmissao S.A.	354,768	51.00%	-	180,932
Transenergia Renovavel S.A.	168,356	51.00%	-	85,862

(Amounts in COP million)

	Total net assets of the associates/joint ventures	The Group's shareholdings in the net assets of the associates/joint ventures	Goodwill	Carrying value of equity in associates and joint ventures
Transenergia Sao Paulo S.A.	85,295	51.00%	-	43,501
Argeb Energía S.A. (2)	3,398,331	37.50%	-	1,274,372
Argo S.A. (3)	4,409,841	50.00%	-	3,007,534
Total shareholdings in joint ventures				**$ 4,778,202**
Total shareholdings in associates and joint ventures				**$ 15,556,173**

(1) Increase in the value of the investment from the merger made in 2022 between Emgesa, Codensa and other entities of Grupo Enel in the amount of COP 1,849,056.

(2) Incorporation of the joint company "Argeb Energía S.A." in Brazil, holding 37.5% of total shares in the amount of COP 1,131,942.

(3) Increase in the investment in the joint business ARGO in the amount of COP 961,953.

The following are the Group's shares in the profit (or loss) of its investments in associates and joint ventures during the period:

At December 31, 2023

	Profit (loss) of the associates / joint ventures	The Company's share of the profit (loss) of the associates/joint ventures	Carrying value
Associates			
Enel Colombia S.A. ESP.	1,931,621	42.52%	821,238
Gas Natural S.A. E.S.P.	440,218	24.99%	110,052
Red de Energía del Perú S.A.	290,558	40.00%	116,223
Consorcio Transmantaro S.A.	264,989	40.00%	105,996
Promigas S.A. E.S.P.	1,011,523	15.24%	154,111
Agencia Analítica de Datos S.A.S.	2,315	40.00%	COP 926
Electrificadora del Meta S.A E.S.P.	29,599	16.23%	4,800

(Amounts in COP million)

Total equity method in affiliates			**1,313,346**
Joint ventures			
Goias Transmissao S.A.	48,506	51.00%	24,738
Mge Transmissao S.A.	51,355	51.00%	26,191
Transenergia Renovavel S.A.	44,351	51.00%	22,619
Transenergia Sao Paulo S.A.	12,551	51.00%	6,401
Argeb Energía S.A.	247,253	37.50%	92,720
Argo S.A.	465,138	50.00%	232,569
Total equity method in joint ventures			**405,238**
Total equity method in associates and joint ventures			**1,718,584**

At December 31, 2022

	Profit (loss) of the associates / joint ventures	**The Company's share of the profit (loss) of the associates/joint ventures**	**Carrying value**
Associates			
Enel Colombia S.A. ESP.	2,859,964	42.52%	1,215,908
Codensa S.A. E.S.P. (1)	-	0.00%	76,222
Gas Natural S.A. E.S.P.	349,098	24.99%	87,273
Red de Energía del Perú S.A.	272,325	40.00%	108,930
Consorcio Transmantaro S.A.	318,386	40.00%	127,354
Promigas S.A. E.S.P.	1,116,722	15.24%	170,155
Agencia Analítica de Datos S.A.S.	(1,191)	40.00%	(476)
Electrificadora del Meta S.A E.S.P.	39,194	16.23%	6,358
Total equity method in affiliates			**1,791,724**
Joint ventures			
Goias Transmissao S.A.	65,045	51.00%	33,173
Mge Transmissao S.A.	63,241	51.00%	32,253
Transenergia Renovavel S.A.	20,453	51.00%	10,431
Transenergia Sao Paulo S.A.	19,943	51.00%	10,171
Argeb Energía S.A.	18,318	37.50%	6,869
Argo S.A.	473,847	50.00%	211,464
Total equity method in joint ventures			**304,361**
Total equity method in associates and joint ventures			**2,096,085**

(Amounts in COP million)

The following is the summarized financial information of each of the Group's associates and joint ventures:

Associates

At December 31, 2023

	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Enel Colombia S.A. ESP.	COP 4,863,738	COP22,672,461	COP6,112,163	COP8,294,979
VANTI S.A. E.S.P.	771,498	1,140,791	588,066	645,310
Red de Energía del Perú S.A.	430,874	1,428,744	299,442	1,014,117
Consorcio Transmantaro	302,637	7,042,116	329,154	5,252,301
Electrificadora del Meta S.A. E.S.P.	204,037	622,490	296,388	211,570
Promigas S.A. E.S.P.	689,450	10,360,733	809,951	4,443,101
Agencia Analítica de Datos S.A.S.	24,669	4,720	7,379	-

	Revenues	Profit (loss) of the period	Dividends
Enel Colombia S.A. ESP.	COP 15,309,024	COP 1,931,621	COP1,164,181
VANTI S.A. E.S.P.	3,805,792	440,218	87,815
Red de Energía del Perú S.A.	850,485	290,558	124,680
Consorcio Transmantaro S.A.	1,266,360	264,989	140,125
Electrificadora del Meta S.A. E.S.P.	-	29,599	4,493
Promigas S.A. E.S.P.	1,127,441	1,011,523	-
Agencia Analítica de Datos S.A.S.	22,870	2,315	-

At December 31, 2022

	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Enel Colombia S.A. ESP. (1)	3,731,686	23,329,382	4,934,210	6,954,927
VANTI S.A. E.S.P.	789,669	1,030,852	648,269	583,573
Red de Energía del Perú S.A.	428,682	1,875,126	458,773	1,174,974
Consorcio Transmantaro	379,709	8,705,647	311,673	6,489,324
Electrificadora del Meta S.A. E.S.P.	157,599	617,384	247,246	207,628
Promigas S.A. E.S.P.	1,172,417	10,015,521	630,692	4,860,505
Agencia Analítica de Datos S.A.S.	20,302	4,439	1,264	-

(Amounts in COP million)

(1) On March 1, 2022, Emgesa S.A. E.S.P. and Codensa S.A. E.S.P., following approval by the Superintendence of Companies, merged into a single company whose company name is Enel Colombia S.A. E.S.P.

	Revenues	Profit (loss)	Dividends
Enel Colombia S.A. ESP.	$ 10,935,202	$ 2,859,964	$ 1,477,942
VANTI S.A. E.S.P.	3,370,956	349,098	68,729
Red de Energía del Perú S.A.	776,656	272,325	43,726
Consorcio Transmantaro S.A.	1,550,757	318,386	30,565
Electrificadora del Meta S.A. E.S.P.	119,268	39,194	6,383
Promigas S.A. E.S.P.	1,123,428	1,116,722	82,104
Agencia Analítica de Datos S.A.S.	7,622	(1,191)	-

Joint ventures

The following table summarizes the financial information of ARGO as it appears in its own financial statements:

	Financial information of the joint venture - - ARGO	
	December 31, 2023	December 31, 2022
Statement of Financial Position		
Cash and cash equivalents	22,302	23,798
Current financial liabilities	495,046	773,379
Non-current financial liabilities	4,008,819	4,637,588
Income Statement		
Revenues	959,168	970,198
Depreciation and amortization	(2,998)	(4,557)
Interest expenses	(349,830)	(324,372)
Income tax	(116,182)	(122,939)

At December 31, 2023

	Assets	Liabilities	Equity	Results
Goias Transmissao S.A.	692,339	647,992	44,347	24,828
Mge Transmissao S.A.	432,602	385,652	46,950	3,012
Transenergia Renovavel S.A.	281,645	240,638	41,007	22,948
Transenergia Sao Paulo S.A.	190,504	179,029	11,474	1,474
Argeb Energía S.A.	8,334,746	5,314,151	3,020,594	247,253
ARGO S.A.	8,758,130	4,503,865	4,254,265	517,768

At December 31, 2022

(Amounts in COP million)

	Assets	Liabilities	Equity	Results
Goias Transmissao S.A.	751,739	387,031	364,708	65,045
Mge Transmissao S.A.	490,017	135,250	354,768	63,241
Transenergia Renovavel S.A.	295,666	127,310	168,356	20,453
Transenergia Sao Paulo S.A.	219,175	133,880	85,295	19,943
Argeb Energía S.A.	4,035,519	637,188	3,377,831	18,318
ARGO S.A.	9,837,909	5,428,068	4,409,841	473,847

At December 31, 2023 and 2022, there are no commitments for investments in associates and joint ventures that have not been recognized in GEB's financial information. Additionally, there are no guarantees or other requirements that would restrict dividends or other capital distributions payable, or loans or advance payments to be made or reimbursed to or from entities over which the Group holds joint control.

16. Property, plant and equipment

The following are the balances and movements of property, plant and equipment at December 31, 2023 and 2022:

	December 31, 2023		December 31, 2022	
Cost	COP	20,020,635	COP	20,951,379
Accumulated depreciation		(4,098,285)		(3,938,138)
Impairment		(73)		-
	COP	15,922,277	COP	17,013,241

		Land	Constructions in progress (1)	Buildings	PPE components	Plants and ducts	Networks, lines and cables	Machinery and equipment	Furniture, fixtures and office equipment	Communications and computer equipment	Transportation equipment	Right of use assets	Other	Total
Balance at December 31, 2021	**COP**	**91,104**	**2,867,931**	**486,598**	**1,736**	**11,077,375**	**878,908**	**899,864**	**40,404**	**102,346**	**15,437**	**1,522**	**17,455**	**16,480,680**
Additions	COP	8,670	1,101,733	7,822	-	7,068	16,265	34,253	209	11,958	228	-	2,112	1,190,318
Internal transfers		(303)	(751,529)	20,795	-	495,522	231,452	2,556	71	(3,565)	-	-	5,001	-
Transfers to intangible assets		-	(18,762)	-	-	-	-	-	-	-	-	-	-	(18,762)
Capitalized interest (2)		-	143,212	-	-	-	-	-	-	-	-	-	-	143,212
Withdrawals		(28)	(4,338)	(1,501)	-	(8,191)	-	(6,377)	(2,478)	(24,814)	(746)	(5)	(540)	(49,018)
Change in accounting policy (3)		-	-	-	-	-	(199,581)	-	-	-	-	-	-	(199,581)
Dismantling		-	-	-	-	114,964	-	-	-	-	-	-	-	114,964
Consumption		-	(6,455)	-	-	-	-	-	-	-	-	-	-	(6,455)
Acquisitions through business combinations		-	-	-	-	-	489,451	-	11	66	93	-	-	489,621
Translation effect		17,122	191,320	94,804	-	2,077,292	118,737	266,191	7,270	22,801	4,141	3,888	2,834	2,806,400
Balance at December 31, 2022	**COP**	**116,565**	**3,523,112**	**608,518**	**1,736**	**13,764,030**	**1,535,232**	**1,196,487**	**45,487**	**108,792**	**19,153**	**5,405**	**26,862**	**20,951,379**
Additions		304	706,759	3,005	-	68,854	(55,268)	5,232	70	1,598	2,147	-	130	732,831
Internal transfers		-	(419,441)	2,356	-	84,070	329,758	303	-	2,954	-	-	-	-
Capitalized interest (2)		-	127,184	-	-	-	-	-	-	-	-	-	-	127,184
Withdrawals		-	(35,227)	-	-	(1,742)	(6,003)	-	(614)	(421)	(1,529)	(3,818)	(54)	(49,408)
Dismantling		-	-	-	-	(68,570)	-	-	-	-	-	-	-	(68,570)
Transfers to intangible assets		-	(63,004)	-	-	-	-	-	-	102	-	-	-	(62,902)
Reclassifications (4)		134,388	(60,559)	54,585	-	34,702	25,490	(20,547)	(32,373)	32,428	-	-	-	168,114
Transfers		-	(75,815)	1,909	-	10,805	54,206	3,852	35	3,248	1,760	-	-	-
Capex provision		-	6,648	-	-	1,205	3,181	-	-	50	-	-	-	11,084
Translation effect		(12,972)	(198,623)	(62,013)	-	(1,210,914)	(168,089)	(222,820)	(5,942)	(15,553)	(4,237)	(1,587)	(3,823)	(1,906,573)
Acquisition of assets Transnova		89	438	-	-	50,343	62,168	4,353	106	- 1	-	-	-	117,496
Balance at December 31, 2023	**COP**	**238,374**	**3,511,472**	**608,360**	**1,736**	**12,732,783**	**1,780,675**	**966,860**	**6,769**	**133,197**	**17,294**	**-**	**23,115**	**20,020,635**

(1) Construction projects of transmission networks and lines, and in general the construction of infrastructure for the transmission of electric energy.

(2) The capitalized borrowing rate refers to the following debts: (i) International Bond Issuance – 4.875%; (ii) GEB bonds tranche 1 A/7 - IPC + 3.19 %; (iii) GEB bonds tranche 2 A/7 - IPC + 3.21 %; (iv) GEB bonds tranche 2 A/15/ 25 - IPC + 3.85 %; (v) GEB bonds tranche 1 A/25 - IPC + 4.04 %; and (vi) GEB bonds tranche 2 A/25 - IPC + 4.10 %.

(Continued)

(Amounts in COP million)

(3) In 2022, the subsidiary Elecnorte amended its accounting policy on fixed assets, moving from fair value to cost, in order to align policies with the Group. The effect of this change in 2022 for COP 199,581 was recognized through consolidated equity.

(4) It mainly includes the reclassification of non-current assets held for sale for COP 188,670 of GEB.

		Buildings	PPE components	Plants and ducts	Networks, lines and cables	Machinery and equipment	Furniture, fixtures and office equipment	Communications and computer equipment	Transportation equipment	Leases	Other minor items	Total
Accumulated depreciation												
Balance at December 31, 2021	$	**(109,070)**	**-**	**(2,365,430)**	**(139,150)**	**(119,307)**	**(30,362)**	**(65,503)**	**(1,838)**	**(6,149)**	**(5,683)**	**(2,842,492)**
Depreciation		(15,687)	(347)	(381,065)	(37,546)	(39,417)	(2,466)	(10,583)	(1,721)	(589)	(1,638)	(491,059)
Withdrawals		1,378	(87)	4,705	4,784	5,979	2,318	24,612	719	5	517	44,930
Translation effect		(16,094)	-	(522,381)	(19,725)	(67,173)	(4,872)	(10,230)	(2,867)	(877)	(5,298)	(649,517)
Balance at December 31, 2022	$	**(139,473)**	**(434)**	**(3,264,171)**	**(191,637)**	**(219,918)**	**(35,382)**	**(61,704)**	**(5,707)**	**(7,610)**	**(12,102)**	**(3,938,138)**
Withdrawals		-	-	825	5,737	-	604	405	1,374	-	36	8,981
Depreciation		(24,182)	-	(409,378)	(64,387)	(9,403)	(1,513)	(9,659)	(1,799)	-	(1,263)	(521,584)
Derecognition of dismantling		(1,955)	-	(15,033)	-	(1,851)	(172)	(890)	-	-	(2)	(19,903)
Reclassifications (5)		(7,861)	-	-	-	-	-	-	-	-	-	(7,861)
Transfers		-	-	13	(11,703)	(4,093)	-	-	-	8,186	-	(7,597)
Translation effect		8,682	4,501	4,502	21,724	48,390	2,844	4,967	2,992	(576)	5,919	103,945
Foreign exchange differences		8,489	-	283,398	11,484	7,929	1,518	5,201	8	-	16	318,043
Acquisition of assets Transnova		-	(34,171)	-	-	-	-	-	-	-	-	(34,171)
Balance at December 31, 2023	$	**(156,300)**	**(30,104)**	**(3,399,844)**	**(228,782)**	**(178,946)**	**(32,101)**	**(61,680)**	**(3,132)**	**-**	**- 7,396**	**(4,098,285)**
Impairment												
Balance at December 31, 2021	$	**(1)**	**-**	**(6,030)**	**-**	**(380)**	**(15)**	**(43)**	**(240)**	**-**	**-**	**(6,709)**
Additions		(2)	-	-	-	(395)	(23)	(31)	(246)	-	-	(697)
Reversals		-	-	6,030	-	636	(1)	(1)	(8)	-	-	6,656
Translation effect		3	-	-	-	781	(2)	(3)	(29)	-	-	750
Balance at December 31, 2022	$	**-**	**-**	**-**	**-**	**642**	**(41)**	**(78)**	**(523)**	**-**	**-**	**-**
Additions		-	-	(73)	-	-	-	-	-	-	-	(73)
Reversals		-	-	-	-	-	-	-	-	-	-	-

Translation effect		-	-	-	-	-	-	-	-	-	-	-
Balance at December 31, 2023	$	-	-	(73)	-	642	(41)	(78)	(523)	-	-	(73)

(5) Reclassification of non-current assets held for sale for COP 7,861 of GEB.

Guarantees for UPME projects - GEB has the following guarantees for fulfillment of the obligations derived from the awarded contract:

Financial Institution	Amount	Project
Davivienda	COP 25,267	STN- UPME 03-2010 Chivor II (San Luis) and Norte 230 kV and associated transmission lines.
Scotiabank Colpatria	COP 80,520	STN- UPME 01-2013 1st Refuerzo Oriental Area 500 KV (Sogamoso - Norte - Nueva Esperanza 500 kV Lines)
Scotiabank Colpatria	COP 100,026	STN-UPME 04-2014 Alférez 500 kV Substation and Associated Transmission Lines - Refuerzo Suroccidental 500 kV
Davivienda	COP 50,645	STR-UPME STR 13-2015 La Loma 110 kV substation and its connection to the National Transmission System (STN, for the original in Spanish two 500/110 kV transformers of 150 MVA.
Davivienda	COP 118,239	STN- UPME 06-2017 SE Colectora 500 kV substation and associated Transmission Lines
Scotiabank Colpatria	COP 6,222	TN- UPME 10 - 2019 Rio Córdoba - Bonda 230 kV Line
Banco Santander de Negocios Colombia S.A.	COP 24,930	STN- UPME 01-2022 Huila 230kV Substation and Associated Transmission Lines

17. Investment properties

The following are the carrying amounts of investment properties at December 31, 2023 and 2022:

	December 31, 2023		December 31, 2022	
Land	COP	29,911	COP	29,911
Buildings		226		226
Accumulated depreciation		(24)		(19)
	COP	30,113	COP	30,118

The amounts recognized in the financial statements do not differ significantly from fair value. All the Group's investment properties are fully owned.

The amounts recognized in the financial statements do not differ significantly from fair value.

The investment properties include a building and two plots of land that are leased to third parties. Each lease has an initial two-year term that cannot be canceled. Subsequent renewals are negotiated with the lessee, and historically the average renewal period is one year.

The rental income recognized by the Group at December 31, 2023 and 2022 totaled COP 63 and COP 37 respectively.

(Amounts in COP million)

Additionally, the investment properties include surrounding lands that were flooded with the Tominé reservoir, which is used to regulate the course of the Bogotá River. GEB does not receive any rental payments on these lands. Maintenance of the reservoir is performed jointly by Enel and GEB through a standalone trust fund created for this purpose. At December 31, 2023 and 2022, GEB expenses on this item totaled COP 2,087 and COP 3,390, respectively.

18. Right-of-use assets

The right-of-use assets related to leased properties that do not meet the definition of investment properties are presented as property, plant and equipment. GEB leases real estate properties. The leases usually have a term of 5 years, with an option to renew the contract after that term. The following is a breakdown right of use assets at December 31, 2023 and 2022:

		Real estate property	Vehicle	Machinery and equipment	Computer equipment	Total
Balance at December 31, 2021	COP	61,644	27,534	3,550	7,263	99,991
Additions		15,784	7,049	870	3,641	27,344
Derecognition		-	(217)	-	-	(217)
Transfers to PPE		(22,851)	-	-	-	(22,851)
Depreciation		(25,150)	(13,233)	(1,227)	(3,084)	(42,694)
Translation effect		10,202	4,380	723	1,143	16,448
Balance at December 31, 2022	COP	39,629	25,513	3,916	8,963	78,021
Additions		29,529	5,148	1,142	41	35,860
Derecognition		(444)	-	-	-	(444)
Depreciation		(40,313)	(12,360)	(30,804)	(152)	(83,629)
Translation effect		(2,948)	(7,161)	37,671	191	27,753
Balance at December 31, 2023	COP	25,453	11,140	11,925	9,043	57,561

(Amounts in COP million)

19. Goodwill

The following are the carrying amounts of goodwill at December 31, 2023 and 2022:

	December 31, 2023		December 31, 2022	
Grupo Dunas		199,210		243,664
Transportadora de Gas Internacional S.A. E.S.P.		55,714		70,118
EEB Perú Holding		43,806		55,132
Elecnorte S.A. E.S.P.		254,575		254,575
	COP	553,305	COP	623,489

The following were the movements of goodwill during the period:

		Total
Balance at December 31, 2021	COP	302,554
Business combinations (1)		254,575
Translation effect		66,360
Balance at December 31, 2022	COP	623,489
Translation effect		(70,184)
Balance at December 31, 2023	COP	553,305

(1) It represents to goodwill recognized in the acquisition of Elecnorte.

Impairment testing:

The Group performs impairment testing of the goodwill arising from Business Combinations at least once a year, by estimating the recoverable value of a group of cash generation units (CGU). Fair value is determined in reference to market prices, if available, using valuation models. In determining fair value, Management must make assumptions and estimations to forecast cash flows over periods that go beyond the requirements of normal management reports: determining the appropriate discount rate, the estimation of the fair value of the cash generation units, and the valuation of the separable assets of each business.

Pursuant to the provisions of IAS 36 Impairment of Assets, below we present some of the key assumptions used for impairment testing of these assets with indefinite lives.

At December 31, 2023 and 2022, our assessments conclude that these indefinite life assets have not suffered impairment.

Grupo Dunas:

- The valuation methodology used is based on the EV/EBITDA multiple, through which a company's value is determined by multiplying its EBITDA by the average EV/EBITDA of comparable companies.
- The valuation of Grupo Dunas used as reference the accounting information at the end of September 2023.
- The reference information used was that of comparable companies of the LATAM region that have been acquired in the last 15 years.

Transportadora de Gas Internacional S.A. E.S.P.:

The valuation methodology used was based on discounted cash flows, assuming that the cost of capital used to discount the cash flows is after-tax and on a going concern basis, which implies the existence of a continuity value. WACC is calculated using using an non-leveraged Beta, based on the median of all comparable companies.

A comparative method was also used based on a methodology of value multiples for similar comparable companies and the international level, taking the following into consideration:

- Multiples method: Based on multiples of companies with similar activities, of which 31 companies in the industry have been identified. It include the multiples of revenues and EBITDA at the assessment date.
- Multiples of Transactions: Multiples associated with mergers and acquisitions (M&A) in the sector, identified for the 2015-2022 period (132 transactions).

EEB Peru – Holding – Investment vehicle that owns 60% of Calidda:

- The cash flows were discounted using a WACC of 9.01% (pre-tax).
- Cash flows were forecast until 2034, considering that the concession contract will produce income until 2033, plus a final settlement value in 2034.
- Perpetuity was not a consideration; the forecast was made over the term of the contract.

Elecnorte S.A. E.S.P.

Management reviews and monitors future cash flow forecasts based on the project's conditions, which has an initial duration of 25 years and is governed by Resolution No. 260 of the Energy and Gas Regulatory Commission (CREG, for the Spanish original) dated December 26, 2016, which establishes the expected annual income of the contract, for the design, acquisition of suppliers, construction and maintenance of the electrical reinforcement of La Guajira: Riohacha – Maicao 110 KV and Riohacha – Cuestecitas 110 KV lines.

(Amounts in COP million)

20. Intangible assets

The following are the balances and movements of intangible assets at December 31, 2023 and 2022:

	December 31, 2023		December 31, 2022	
Concession assets	COP	7,326,711	COP	8,606,642
Business rights		1,009,971		1,175,555
Rights of way		931,655		978,576
Software and licenses		446,181		443,283
Accumulated amortization and impairment		(2,410,418)		(2,596,021)
	COP	7,304,100	COP	8,608,035

Cost		Concession assets	Business rights	Rights of way	Software and licenses	Total
Balance at December 31, 2021	COP	6,624,141	953,251	751,209	303,707	8,632,308
Additions		535,889	103	98,816	94,840	729,648
Transfers (*)		-	801	7,845	15,153	23,799
Withdrawals		-	-	(137)	(21,473)	(21,610)
Translation effect		1,446,612	221,400	120,843	51,056	1,839,911
Balance at December 31, 2022	COP	8,606,642	1,175,555	978,576	443,283	11,204,056
Additions		526,519	-	77,377	14,725	618,621
PPE transfers		-	-	-	62,902	62,902
Withdrawals		-	-	-	(1,517)	(1,517)
Other		5	(29)	1,092	(8,787)	(7,719)
Translation effect		(1,806,455)	(165,555)	(125,390)	(64,425)	(2,161,825)
Balance at December 31, 2023	COP	7,326,711	1,009,971	931,655	446,181	9,714,518

(*) Includes transfers of property, plant and equipment for COP 18,762.

Accumulated amortization and impairment		Concession assets (1)	Business rights	Rights of way	Software and licenses	Total
Balance at December 31, 2021	COP	(1,637,799)	(131,040)	(57,312)	(126,869)	(1,953,020)
Amortization	COP	(236,324)	(9,891)	(13,828)	(46,125)	(306,168)
Impairment		85,109	-	-	-	85,109
Withdrawals		-	-	-	1,899	1,899

(Amounts in COP million)

Translation effect		(360,641)	(28,900)	(8,177)	(26,123)	(423,841)
Balance at December 31, 2022	COP	(2,149,655)	(169,831)	(79,317)	(197,218)	(2,596,021)
Amortization	COP	(252,232)	(7,691)	(18,769)	(60,893)	(339,585)
Translation effect		449,154	28,478	18,949	28,607	525,188
Balance at December 31, 2023	COP	(1,952,733)	(149,044)	(79,137)	(229,504)	(2,410,418)
Net balance at December 31, 2022		6,456,987	1,005,724	899,259	246,065	8,608,035
Net balance at December 31, 2023		5,373,978	860,927	852,518	216,677	7,304,100

At December 31, 2023, there were no restrictions of ownership over the Group's intangible assets, nor were they offered as collateral for loans, and there were no contractual commitments to acquire assets of this type.

(1) Concession assets

<u>Contugas S.A.C.</u>

The concession assets represent the right to charge for the natural gas distribution services, associated with actual consumption by the users, and the charges are governed by the regulatory regime established by the OSINERGMIN regulatory agency. The concession contract is recognized in accordance with IFRIC 12, measured using the intangible asset model, because the Company has the right to charge for the natural gas distribution services, which are associated with actual consumptions by users, and which are covered by the regulatory regime established by OSINERGMIN. The government also controls any residual interest in the assets, if any. The value of the intangible assets of Contugas S.A.C. totals COP 1,142,905 million.

On April 30, 2014, operations began of the main and branch networks that supply gas to the cities of Marcona and Nazca; consequently, the amortization of all the concession assets began on that date. Distribution assets in progress are contract assets represented in constructions of networks that have not been put into service as of the reporting date. Once they are put into service, these assets will be transferred to the "distribution assets" line item.

At December 31, 2023 and 2022, the Company has accumulated earnings of COP 13,304 and COP 16,744, respectively. In 2022, the impairment testing of the concession produced a recovery of COP 85,109. Said estimation of impairment was made on the base of the recovery of the investment through the Company's future cash flows. In 2023 and 2022, Contugas did not receive capital contributions from its shareholders.

Management of Contugas considers that its business plans will be fulfilled, which will enable it to recover the value of its long-life assets. Such business plans include cash flows of revenues from gas distribution to be produced once electricity generation and liquefied natural gas (LNG) projects begin to operate in the concession area of Contugas, and have been taken into consideration to measure the recoverable value of the long-life assets. It also expects the continued financial support from its shareholders to enable it to develop profitable operations and fulfill its obligations and its planned development plans, in accordance with the structure of Contugas.

Gas Natural de Lima y Callao S.A. (Calidda)

Based on the approval of each rate schedule by the regulator, Calidda performs an assessment of the recoverability of current and planned investments required for the five-year investment plan, taking into consideration the terms set out in the BOOT contract, and estimating the portions that are remunerated through the approved rates, and which remunerate the net carrying value of the concession assets depending on their residual value. On April 11, 2018, OSINERGMIN set the Single Rate for Natural Gas Distribution through Pipelines, in effect for the 2018-2022 period. The value of the intangible assets of CÁLIDDA totals COP 4,431,023 million. The concession contract is recognized in accordance with IFRIC 12, measured using the intangible asset model, because the Ministry of Energy and Mines regulates the services, has control over any significant residual interest in the concession assets, and they will be returned to the Ministry at the end of the contract. The construction of the infrastructure was performed exclusively for the effects of the Concession.

(2) Business rights:

Transportadora de Gas Internacional S.A. E.S.P (TGI)

The financial closing of the disposal of the assets, rights and contracts of Ecogas was finalized on March 2, 2007. Each asset was recognized independently.

The value of the intangible assets represents the rights of contracts with customers acquired in the Ecogas disposal for USD 111 million.

The intangible asset was measured at historical cost and is amortized using the straight-line method over the estimated useful life of the pipelines of 65 years.

Grupo Dunas

As a result of the Purchase Price Assignment (PPA) made for the acquisition of Group Dunas in 2019, an intangible asset for business rights was recognized for COP 391,902 million, with a defined useful life.

(Amounts in COP million)

21. Financial debt

The following are the amounts and features of the financial obligations acquired by the Group at December 31, 2023 and 2022:

	December 31, 2023		December 31, 2022	
Bonds issued (1)	COP	8,654,139	COP	9,952,534
Bank loans (2)		9,837,103		10,215,093
Financial interest		136,610		175,738
	COP	18,627,852	COP	20,343,365
Current		2,134,589		1,075,261
Non-current		16,493,263		19,268,104
	COP	18,627,852	COP	20,343,365

No covenants were breached in the presented periods.

(1) Bonds issued:

			Carrying value	
Local Bond Issuance In Colombian pesos	**Nominal Interest Rate**	**Maturity date**	**December 31, 2023**	**December 31, 2022**
GEB:				
GEB - 2045 Bonds in UVR tranche 1 (c)	Fixed 3.99%	06/25/2045	535,885	485,817
GEB Bonds tranche 2 A/30 (a)	CPI + 4.10%	02/28/2047	326,462	327,243
GEB - 2027 Bonds in COP tranche 1 (c)	CPI + 3.24%	06/25/2027	322,860	324,233
GEB Bonds tranche 1 A/15 (a)	CPI + 3.85%	02/28/2032	191,363	191,312
GEB - 2035 Bonds in COP tranche 1 (c)	CPI + 3.87%	06/25/2035	216,729	217,342
GEB Bonds tranche 2 A/15 (a)	CPI + 3.85%	02/28/2032	285,306	286,670
GEB Bonds tranche 1 A/7 (a)	CPI + 3.19%	02/28/2024	187,047	188,587
GEB Bonds tranche 1 A/25 (a)	CPI + 4.04%	02/28/2042	181,529	181,986
GEB Bonds tranche 2 A/7 (a)	CPI + 3.21%	02/28/2024	130,181	130,978

(Amounts in COP million)

GEB– 2035 Bonds in COP tranche 2 (c)	CPI + 3.87%	06/25/2035	164,747	164,831
GEB– 2042 Bonds in UVR tranche 2 (c)	Fixed 5.45%	06/25/2042	107,512	97,469
Issued in Colombian currency			COP 2,649,621	COP 2,596,468

International bond issuance In foreign currency	**Nominal Interest Rate**	**Maturity date**	**Carrying value December 31, 2023**	**Carrying value December 31, 2022**
GEB - 2030 international bonds issuance (b)	Fixed 4.875%	05/15/2030	1,512,748	1,901,240
GEB– 2033 international bonds issuance (b)	Fixed 7.85%	11/09/2033	1,518,950	
TGI bonds (d)	5.55% SV	11/01/2028	2,111,258	2,862,600
Calidda international bonds (e)	4.375% SV	03/15/2023	-	1,538,757
Calidda local bonds in PEN 200 million (f)	6.47%	07/23/2028	205,567	251,088
Calidda local bonds in PEN 342 million (g)	5.03%	09/06/2029	351,306	429,973
Electrodunas bonds (h)	4.59%	12/11/2030	237,063	289,690
Electrodunas bonds (h)	2.75%	12/11/2025	67,626	82,718
Issued in foreign currency			COP 6,004,518	COP 7,356,066
TOTAL			COP 8,654,139	COP 9,952,534

(1) Bonds issued:

Grupo Energía Bogotá S.A. E.S.P.:

(a) Local Bond Issuance: on February 28, 2017, the Company placed the first tranche of local bonds for COP 650 million, indexed to the CPI, sub-series A7, A15 and A25, and the second tranche of bonds was placed on November 15, 2017, for COP 650 million, indexed to the CPI, sub-series A7, A15, A330. GEB used the funds from the bond placement to finance its investment plan, refinance debts, and the costs and expenses involved in structuring and obtaining the financing, as well as to cover working capital requirements. The following are the main features of the issuance:

(Amounts in COP million)

Tranche 1

Series – Sub-series		Approved amount (COP)	Margin/Cut-off rate
Sub-series A/7 - 7 years – CPI+EAR Margin	COP	187,000	3.19% EAR
Sub-series A/15 - 15 years – CPI+EAR Margin		283,000	3.85% EAR
Sub-series A/25 - 25 years – CPI+EAR Margin		180,000	4.04% EAR
Total	COP	650,000	

Tranche 2

Series – Sub-series		Approved amount (COP)	Margin/Cut-off rate
Sub-series A/7 - 7 years – CPI+EAR Margin	COP	130,200	3.21% EAR
Sub-series A/15 - 15 years – CPI+EAR Margin		191,700	3.85% EAR
Sub-series A/30 - 30 years – CPI+EAR Margin		328,100	4.10% EAR
Total	COP	650,000	

(b) International bond issuance:

- Based on the authorization granted by the Ministry of Finance and Public Credit by means of Resolution No. 1087 of May 7, 2020, an External Public Debt bond issuance was placed in the international capital market, with the terms described below. The funds from the issuance were used to finance the 2020-2022 investment plan.

Amount	USD 400,000,000
Term	10 years
Transaction date	May 12, 2020
Issuance date (t + 3)	May 15, 2020
Maturity date	May 15, 2030 (Bullet)
Price	99.026
Yield	5.00%
Coupon rate	4.875%
Interest payment periodicity	Semi-annual (May and November)

- Based on the authorization granted by the Ministry of Finance and Public Credit by means of Resolution No. 2801 of November3, 2023, an External Public Debt bond issuance was placed in the international capital market, with the terms described below. The funds raised in the issuance will be used to finance part of the 2023 – 2027 Investment Plan, as well as to carry out an external public debt management operation.

(Amounts in COP million)

Amount	USD 400,000,000
Term	10 years
Issuance date	November 09, 2023
Maturity date	November 09, 2033 (Bullet)
Price	99.932
Yield	7.86%
Coupon rate	7.85%
Interest payment periodicity	Semi-annual (May and November)

(c) Internal Public Debt Bond Issuance: Based on the authorization given by the Ministry of Finance and Public Credit by means of Resolution No. 0749 of March 4, 2020, and by the SFC by means of Resolution No. 264/2020, on June 25, 2020, Grupo Energía Bogotá S.A. E.S.P. issued the first tranche of internal public debt bonds for an amount of up to eight hundred billion pesos (COP 800,000,000,000), with the option of awarding up to nine hundred and fifty billion pesos (COP 950,000,000,000), as follows:

Sub-series	C7	C15	E25
Issuance date	06/25/2020	06/25/2020	06/25/2020
Term	7 years	15 years	25 years
Maturity date	06/25/2027	06/25/2035	06/25/2045
Indexation	CPI	CPI	Fixed rate (UVR)
Cut-off rate	3.24% EAR	3.87% EAR	3.99% EAR
Interest payment period	Quarter in arrears	Quarter in arrears	Year in arrears
Amortization	At maturity	At maturity	At maturity
Interest payment date	September 25, December 25, March 25, June 25, from the issuance date to the maturity date	September 25, December 25, March 25, June 25, from the issuance date to the maturity date	June 25, from the issuance date to the maturity date
Base	365	365	365
Requested amount	COP 508,291,000,000	COP 317,750,000,000	COP 890,132,064,975*
Awarded amount	COP 320,852,000,000	COP 214,900,000,000	COP 414,203,723,837*

* These results were calculated based on the UVR at the fulfillment date, Friday, June 26, 2020: 276.1975

The funds from the issuance were used to refinance GEB financial debt (debt substitution)

Transportadora de Gas Internacional S.A. E.S.P.:

(d) **TGI Bonds:** During 2018, TGI arranged a bond issuance in the international capital markets, pursuant to Rule 144 A / Reg. S, in the amount of USD 750 million, to refinance the bonds issued in 2012 with maturity in 2022, the rate of which was 5.70%. The issuance took place on November 1, 2018. On the same date, the Company also performed the early redemption of the aforementioned bonds. The following are the terms of the bonds that mature in 2028:

(Amounts in COP million)

Amount:	USD 750 million
Interest Rate	5.55% annual, quarter in arrears
Issuance date:	November 01, 2018
Maturity date	November 01, 2028

Covenants – The 2028 Bonds issuance represented a significant improvement for TGI in terms of Covenants, because the new issuance reflects the investment grade rating held by the company, and eliminates several restrictive covenants. The main covenants included in the Indenture of the 2028 Bonds are:

- Limitation for liens.
- Limitation for sale and lease-back transactions.
- Limitation for engaging in businesses other than those related to the normal course of business.

This issuance was granted investment grade ratings by the following rating agencies:

- Fitch Ratings: BBB, stable outlook.
- Moody's: Baa3, stable outlook.

Gas Natural de Lima y Callao (Calidda):

(e) **International bonds:** In March 2013, the Company made an international bond placement for USD 320 million, under rule 144A Regulation S, with a 10-year term. The funds were used to prepay the loans from International Finance Corporation (IFC), Corporación Andina de Fomento (CAF), Infrastructure Crisis Facility Debt Pool (ICF) and Citibank del Perú S.A., as well as a subordinated shareholder loan. With the remaining funds from the bond issuance, the Company financed its investments plans for 2013 and 2014, which enables it to continue expanding the gas network in the Department of Lima and the Constitutional Province of Callao. The following are the main features of the issuance:

Type of security:	Public debt bonds
Issuance date	March 2013
Nominal amount	USD 320 million
Term	10 years
Yield	4.375%
Rating	AAA (col) granted by Fitch Ratings, BBB- by Standard & Poor´s and Baa3 by Moody's.

With effective date of April 3, 2023, the bonds were amortized in the amount of USD 320 million.

(Amounts in COP million)

(f) **Local Bonds PEN 200 million -** In July 2018, the Company issued bonds for PEN 200 million, which were placed in the local market. The term of the bonds is ten years, with no collateral, a coupon rate of 6.468% per year and semi-annual interest payments.

(g) **Local Bonds PEN 342 million -** In September 2019, the Company issued bonds for PEN 342 million, which were placed in the local market. The term of the bonds is ten years, with no collateral, a coupon rate of 5.031% per year and semi-annual interest payments.

Electro Dunas S.A.A.:

(h) The General Meeting of Shareholders held on June 16, 2020, approved the First Program of Debt Representative Instruments for up to USD 300 million, or its equivalent in PEN, at a rate of 4.59% for the first issuance and 2.75% for the second issuance.

The funds raised through the public offering of bonds were used to finance the investment plan, refinance and substitute liabilities, and to finance the Company's working capital.

The bonds were issued with maturities at December 2030 and December 2025

(2) Bank loans

	Interest Rate	Maturity date	December 31, 2023	December 31, 2022
GEB (a)				
GEB syndicated loan	Libor 6M + 1.625	07/22/2024	-	1.541.374
Banco Davivienda	Libor 6M +2.35%	03/09/2032	1.161.271	1.458.878
UMB BANK	Sofr 6M + 1.95%	11/24/2027	1.931.965	2.422.769
Banco Davivienda	IBR3 IBR 3M + 4.33%	03/25/2032	119.935	-
Banco Itaú	IBR 3M + 4.33%	03/25/2032	119.935	-
			3.333.106	**5.423.021**
Contugas (b)				
Contugas syndicated loan	6,8927%	08/31/2024	1.347.548	1.735.771
Calidda (c)				
BBVA	1.37%	07/01/2023	-	384.671
Financing IDB USD 80 million	2.53% + SOFR 6M	11/15/2028	305.774	481.536
Financing IDB USD 10 million	2.78% + SOFR 6M	11/14/2028	38.495	-
Financing IDB USD 10 million	2.78% + SOFR 6M	11/14/2028	38.493	-

(Amounts in COP million)

Banco Scotiabank USD 100 million	2.20 + Daily compounded SOFR	12/16/2026	379,752	-
Banco Scotiabank USD 100 million	2.20 + Daily compounded SOFR	12/16/2026	379,752	-
Banco Scotiabank USD 100 million	2.20 + Daily compounded SOFR	12/16/2026	382,520	-
Citibank N.A. USD 30 million	1.61 + SOFR 3M	12/28/2026	106,877	138,188
Citibank N.A. USD 320 million	1.61 + SOFR 3M	12/28/2026	1,222,395	-
Corporación Andina loan	2% + SOFR 6M	12/29/2023	228,923	-
Banco Scotia promissory note USD 30 million	6.00%	11/30/2023	-	473,890
Banco de Crédito del Perú USD 15 million	6.39%	01/05/2024	57,331	-
			2,760,560	**1,478,285**
Trecsa (d)				
Citibank N.A.	LB 6M + 2.97%	06/29/2028	149,633	232,735
BAC International Bank Inc	6.35%	11/16/2023	-	315,974
Banco de América Central	6.35%	11/16/2023	-	243,066
Citibank N.A.	SOFR 12M + 2.18%	12/19/2023	-	48,102
Citibank N.A.	SOFR 6M + 2.03%	02/22/2024	38,221	-
Banco Itaú	SOFR 6M + +1.47%	01/17/2024	57,331	-
BAC International Bank Inc	6.00%	11/16/2033	439,744	-
Banco Itaú	SOFR 6M + +1.37%	06/12/2024	30,576	-
			715,505	**839,877**
Calidda Energía				
Banco de Crédito del Perú	2.36% EAR	05/29/2024	8,787	11,112
EEBIS (e)				
Citibank N.A.	5.40%	03/26/2025	172,820	216,459
BAC International Bank Inc	6.35%	11/16/2023	-	137,938
BAC International Bank Inc	6.00%	11/16/2033	107,845	-
			280,665	**354,397**
Elecnorte				
Itaú	15.90%	03/25/2032	-	133,250
Davivienda	15.90%	03/25/2032	-	133,250
			-	**266,500**
Dunas				
Banco de Crédito del Perú	7.78%	02/17/2023	-	10,883
Banco de Crédito del Perú	8.12%	03/17/2023	-	10,883

(Amounts in COP million)

Banco de Crédito del Perú	8.75%	06/02/2023	-	12,629
Banco de Crédito del Perú	8.80%	02/13/2023	-	12,629
Banco de Crédito del Perú	10.85%	12/07/2023	-	4,254
Banco Internacional del Péru S.A.A - Interbank	5.73%	01/02/2027	34,392	54,852
Banco Internacional del Péru S.A.A - Interbank	8.15%	04/28/2024	7,227	-
Banco Internacional del Péru S.A.A - Interbank	8.15%	04/28/2024	6,711	-
Banco Internacional del Péru S.A.A - Interbank	8.15%	04/28/2024	6,711	-
			55,041	**106,130**
TGI (f)				
Bancolombia	IB3 + 4.183% QA	12/19/2027	694,996	-
Banco BBVA	IB3 + 4.183% QA	12/19/2027	640,895	-
			1,335,891	-
	TOTAL		**9.837.103**	**10,215,093**

(a) Grupo Energía Bogotá S.A. E.S.P.:

- **Syndicated Loan:** Pursuant to the authorization issued by General Directorate of Public Credit and the National Treasury of the Ministry of Finance and Public Credit (MHCP, for the Spanish original) by means of Resolution No. 2262 of July 15, 2019, GEB signed on July 22, 2019, the First Amendment to the Loan Contract signed in December 2017, as a result of which the new terms of the loan are:

Currency	USD
Amount	USD $ 749,000,000.00
First amendment signing date	July 22, 2019
Maturity date	July 22, 2024
Term	5 years from the signing date of the First Amendment
Principal	Bullet
Interest form of payment	Biannual
Interest Rate	Libor 6 months + 1.625%
Base	Act/360

Banks involved: Bank of América, Citibank, Sumitomo Mitsui Banking, Export Development Canada, Mizuho Bank, Natixis, New York Branch, Scotia, BBVA, BNP Paribas, MUFG Bank, Sabadell, Credit Agricole, JPMorgan, Intesa Sanpaolo, Bancolombia (Panamá), ICBC Perú, Bancaribe.

Pursuant to the authorization issued by the MHCP by means of Resolution No. 3933 of October 23, 2019, in May 2020 a hedging transaction was made (Interest Rate Swap) at 2.056%, including the fixed margin.

During 2020, the Company repaid USD 249 million, for a remaining balance of USD 500 million.

By means of Resolution No 1469 of June 28, 2021, the Ministry of Finance and Public Credit authorized GEB to perform the early partial termination of the hedging transaction authorized by means of Resolution 3933 of October 23, 2019, in the amount of USD 51,000,000. By means of Resolution No. 3472 of December 30, 2021, GEB S.A. E.S.P was authorized to perform the early partial termination of a foreign public debt hedging transaction, consisting in a hedging transaction authorized by means of Resolution 3933 of October 23, 2019, for a notional amount of USD 130,000,000, as part of the prepayment made in December 2021.

During 2021, the Company repaid USD 181 million, for a new balance payable at December 31, 2021 of USD 319 million.

By means of Resolution No. 1469 of June 28, 2021, the Ministry of Finance and Public Credit authorized GEB to perform the early partial termination of the hedging transaction authorized by means of Resolution 3933 of October 23, 2019, in the amount of USD 51,000,000. By means of Resolution No. 3472 of December 30, 2021, GEB S.A. E.S.P was authorized to perform the early partial termination of a foreign public debt hedging transaction, consisting in a hedging transaction authorized by means of Resolution 3933 of October 23, 2019, for a notional amount of USD 130,000,000, as part of the prepayment made in December 2021.

Lastly, on November 9, 2023, the balance of this obligation was prepaid (USD 319 million) and on December 18, 2023, the early termination of the hedge on this obligation (IRS) was made effective.

- **Banco Davivienda External Loan:** Pursuant to the authorization issued by the Ministry of Finance and Public Credit by means of Resolution No. 4791 of December 19, 2019, GEB signed an External Loan Contract with Banco Davivienda S.A. for up to USD 300 million, to finance the Company's 2019-2022 investment plan. The above funds were fully disbursed on March 9, 2020, bullet at 12 years and semi-annual interest payments at Libor (6M) + 2.35%.

  Pursuant to Resolution No. 1656 of August 27, 2020, GEB made a hedging transaction (Interest Rate Swap) of interest payments of the aforementioned loan (Interest Rate Swap) at IRS 3.3514%, including the fixed margin.

(Amounts in COP million)

- **External Syndicated Loan (UMB Admin Agent):** Pursuant to the authorization issued by the Ministry of Finance and Public Credit by means of Resolution No. 3131 of November 23, 2022, on November 23, 2022 an External Loan Contract was signed with UMB Bank N.A. as Administrative Agent, and The Bank of Nova Scotia, Sumitomo Mitsui Banking Corporation, Bank of China Limited Panama Branch, Citibank N.A. International Banking Facility and Banco de Sabadell S.A. Miami Branch, as lenders, for up to USD 509 million, to partially finance the 2022 investment plan. The disbursement was made on November 29, 2022, bullet and interest rate SOFR 6M + 1.95%.

- Due to the merger on November 30, 2023 of Elecnorte and GEB, the following loans held by Elecnorte were transferred to GEB, under the following terms:

Total balance (assigned)	COP 252,216,000,000
Davivienda balance (assigned)	COP 119,888,832,632
Davivienda balance (assigned)	COP 6,219,167,368
Itaú balance (assigned)	COP 119,888,832,632
Itaú balance (assigned)	COP 6,219,167,368
Interest Rate	IBR 3M + 4.33%
Maturity date	March 25, 2032
Amortization type	Step-wise
Interest payment periodicity	Quarterly (March, June, September and December)

b) Contugas

- **Syndicated loan:** On September 24, 2019, the Company signed a Syndicated Loan for USD 355 million, with Mizuho Bank Ltd. and BBVA as lead banks, and Mizuho as administrative agent. The loan and collateral agreements are governed by the laws of New York, Colombia and Peru. The following is the participation of each bank (hereinafter "the Lenders").

Entity	Commitment		Applicable percentage
Banco Bilbao Vizcaya Argentaria S.A., New York Branch	USD	85,000,000	23.94366%
Mizuho Bank, Ltd.	USD	85,000,000	23.94366%
Sumitomo Mitsui Banking Corporation	USD	45,000,000	12.67606%
Banco de Sabadell, S.A., Miami Branch	USD	26,000,000	7.32394%
Banco Santander, S.A.	USD	26,000,000	7.32394%
Export Development Canada	USD	26,000,000	7.32394%
Banco de Bogotá (Panamá) S.A.	USD	26,000,000	7.32394%
Banco Latinoamericano de Comercio Exterior S.A.	USD	18,000,000	5.07043%

(Amounts in COP million)

Entity	Commitment		Applicable percentage
Citibank, N.A. International Banking Facility	USD	18,000,000	5.07043%
Total	USD	355,000,000	100%

The contractual term is 60 months, with principal to be paid in full at the end of the term, plus interest accrued as consideration up to said date. Upon signing the agreement, the Company paid structuring expenses in the amount of USD 3.4 million and administrative agent expenses for USD 25,000.

This loan accrues interest at the LIBOR 180 day rate plus 1.75%. Interest is paid semi-annually in the months of March and September.

The main use of the funds raised from this loan was to repay a Syndicated Loan (for COP 342 million to Banco Davivienda S.A., Banco de Bogotá S.A. Nassau, Banco de Bogotá S.A. Panamá and Corporación Andina de Fomento).

This loan is secured by a corporate lien granted by its shareholders Grupo Energía Bogotá S.A. ESP (GEB) and Transportadora de Gas Internacional, to guarantee the loan repayment obligations.

c) Gas Natural de Lima y Callao (Calidda):

- Loan for USD 100 million, net of structuring expenses, granted between August 2020 and January 2021 by IDB Invest at an annual rate of between 2.10% and 2.35% + Libor 6M, with semi-annual amortization and a term of 8 years. Following the end of the Libor rate, this financing migrated to the rate Term SOFR 6M plus a spread of between 2.53% and 2.78%, effective as of November 15, 2023.

- Loan from Banco BBVA Perú for USD 80,000 disbursed on July 1, 2021, at an annual rate of 1.37% with a 2 year term.

- In December 2021, the Company signed a bilateral loan agreement with Bank of Nova Scotia for a total amount of USD 200 million. The company received a disbursement on December 21, 2021, for USD 100 million and on March 27, 2023, the Company received the second disbursement for USD 100 million. The loan's term is 5 years, with bullet amortization upon expiration, unsecured, with variable rate of Libor 3M + 2.20% of margin. Following the end of the Libor rate, this financing has a variable rate of Daily Compounded SOFR plus a 2.20% spread, effective as of December 18, 2023.

- In December 2021, the Company entered into a syndicated loan with several local and international top-tier banks, for a total amount of USD 350 million. On May 31, 2022, the Company received a first disbursement for USD 30 million. On March 27, 2023, the Company received the last disbursement associated with this loan for USD 320 million. The loan agreement's term is 5 years with bullet amortization upon expiration, unsecured, with variable rate of Libor 3M + 1.35% of margin. Following the end of the Libor rate, this financing migrated to the variable rate of Term SOFR 3M plus a 1.65% spread, effective as of November 30, 2023.

- In April 2023, the Company signed a long-term credit agreement with Corporación Andina for up to USD 150 million. On July 3, 2023, a first disbursement was made for USD 60 million, with a 3 year term, bullet amortization upon expiration, unsecured, with variable rate SOFR 6M + 2.00% of margin.

d) Trecsa:

- **Citibank N.A.**: Loan for an original amount of USD 87,000,000 with start date June 30, 2016 and due date on June 30, 2028, interest rate of 2.97% (+) Libor 6 months. Amortization of principal starting in December 2018, semi-annual interest payments from the start date. This loan has a corporate guarantee from Grupo Energía Bogotá regarding payment obligations.

  Loan for USD 10 million secured by a stand-by letter of credit of Grupo Energía Bogotá, S.A. ESP, expiration date on February 22, 2024, interest rate of 2.03% + SOFR 6 months and payment of principal and interest upon expiration.

- **Bac International Bank Inc.:** Trust loan for USD 65,000,000 with fixed interest rate of 4.35% per year the first 90 days and 5.35% per year from day 90 to the due date. The term is 11 months with contractual expiration on October 1, 2022, and repayment of principal and interest upon expiration. During 2022, the loan was renewed at a fixed annual interest rate of 5.85%, with expiration date on March 27, 2023 and repayment of principal and interest upon expiration. Following contractual amendments, its expiration date was November 16, 2023, at a rate of 6.35%.

- **Banco de América Central S.A.:** Trust loan for USD 50,000,000 with fixed interest rate of 4.35% per year the first 90 days and 5.35% per year from day 90 to the due date. The term is 11 months with contractual expiration on October 1, 2022, and repayment of principal and interest upon expiration. During 2022, the loan was renewed at a fixed annual interest rate of 5.85%, with expiration date on March 27, 2023 and repayment of principal and interest upon expiration. Following contractual amendments, its expiration date was November 16, 2023, at a rate of 6.35%.

  Trust loan with several rates (annual fixed rate of 6% for the first year, and the following rates for the second and third years: Variable CME SOFR 3M + 400 bps revised quarterly, which in no case will be less than 5%. Rate for the fourth year onward: Variable CME SOFR 3M + 350 bps revised quarterly, which in no case will be less than 5%. Its expiration date is November 16, 2033, with semi-annual principal payments for USD 5,750,000 starting in May 2029 and a last payment upon expiration. Semi-annual interest payments starting in May 2024.

(Amounts in COP million)

- **Itaú Panamá, S.A.:** Loan for USD 15 million secured by a stand-by letter of credit of Grupo Energía Bogotá S.A. ESP, expiration date on June 12, 2024, interest rate of 1.37% + SOFR 6 months and payment of principal and interest upon expiration.

  Loan for USD 8 million secured by a stand-by letter of credit of Grupo Energía Bogotá, S.A. ESP, expiration date on June 12, 2024, interest rate of 1.37% + SOFR 6 months and payment of principal and interest upon expiration.

e) EEBIS:

- **Citibank N. A.:** A trust loan is included for USD 45,000,000, with start date March 26, 2020 and due date March, 26 2025, fixed interest rate of 5.40%, amortization upon expiration, semi-annual interest payments. This loan has a corporate guarantee from GEB regarding payment obligations.

- **Bac International Bank Inc.**: Trust loan for USD 28,000,000 with fixed interest rate of 4.35% per year. The term is 11 months with contractual expiration on October 1, 2022, and repayment of principal and interest upon expiration.

f) TGI:

On November 20, 2023, the Company entered into a credit agreement of the Club Deal type for an amount of COP 1,342,507 with Bancolombia S.A and Banco Bilbao Vizcaya Argentaria Colombia SA BBVA S.A (amended by Appendix No. 1 of November 30, 2023), in order to fully pay off the loan with GEB. The following are the terms of these transactions:

Bancolombia S.A.: Loan for COP 694,996, with interest rate IBR3M + 4.183%, start date December 19, 2023 and expiration December 19, 2027

BBVA S.A.: Loan for COP 647,511, with interest rate IBR3, + 4,183%, start date December 19, 2023 and expiration December 19, 2027.

The following are the movements of financial liabilities at December 31, 2023 and December 31, 2022:

	Bonds	Bank loans	Total
Balance at December 31, 2021	COP 9,000,208	COP 6,123,617	COP 15,123,825
New debt	262,611	2,924,041	3,186,652
Debt repayment	(663,227)	(457,734)	(1,120,961)
Interest paid	(606,114)	(266,143)	(872,257)
Accrued interest	685,923	375,624	1,061,547
Foreign exchange differences	355,822	498,842	854,664
Transaction costs	21,238	-	21,238
Reclassifications	-	(51,299)	(51,299)
Business combinations	-	285,660	285,660

(Amounts in COP million)

Translation effect	1,005,063	850,384	1,855,447
Balance at December 31, 2022	COP 10,061,524	COP 10,281,841	COP 20,343,365
New debt	1,626,316	4,970,022	6,596,338
Debt repayment	(1,592,169)	(3,152,216)	(4,744,385)
Accrued interest	(660,865)	(769,733)	(1,430,598)
Interest paid	710,383	755,238	1,465,621
Foreign exchange differences	(802,431)	(1,058,984)	(1,861,415)
Translation effect	(598,724)	(1,142,350)	(1,741,074)
Balance at December 31, 2023	COP 8,744,034	COP 9,883,818	COP 18,627,852

22. Lease liabilities

The following are the movements of lease liabilities at December 31, 2023 and December 31, 2022:

Balance at December 31, 2021	COP	62,198
Additions		52,139
Reclassifications		51,299
Payments		(120,778)
Interest expenses		5,294
Foreign exchange differences		7,064
Translation adjustment		50,023
Balance at December 31, 2022	**COP**	**107,239**
Additions		73,351
Payments		(58,307)
Interest expenses		16,837
Interest paid		(5,088)
Foreign exchange differences		(267)
Withdrawals		(24,211)
Translation adjustment		(37,873)
Balance at December 31, 2023	**COP**	**71,681**
Current		26,703
Non-current		44,978
	COP	**71,681**

(Amounts in COP million)

23 Trade and other accounts payable

The following are the carrying amounts of trade and other accounts payable at December 31, 2023 and 2022:

	December 31, 2023		December 31, 2022	
Dividends	COP	945	COP	843
Suppliers		803,244		878,778
	COP	804,189	COP	879,621
Current		742,474		825,487
Non-current		61,715		54,134
	COP	804,189	COP	879,621

Information on the Group’s exposure to liquidity risk is provided in Note 30.

24 Employee benefits

The following is a breakdown of employee benefit liabilities at December 31, 2023 and 2022:

	December 31, 2023		December 31, 2022	
Short-term benefits (a)	COP	115,575	COP	122,911
Defined benefits:				
Net retirement pension plan (b)		131,456		102,965
Supplementary benefits		16,270		19,831
	COP	263,301	COP 245,707	
Current		140,159		147,687
Non-current		123,142		98,020
	COP	263,301		COP 245,707

(a) *Short-term employee benefits* - Based on signed collective bargaining agreements and applicable labor laws, the Group recognizes short-term employee benefits, which include accrued mandatory benefits, performance bonuses, pension payments, and salaries pending payment, and the estimation of pension quota-shares payable in the current period to employees and retirees.

(Amounts in COP million)

	December 31, 2023	December 31, 2022
Bonuses	37,232	54,442
Mandatory benefits	58,312	50,706
Salaries	20,031	17,763
Short-term employee benefits	115,575	COP 122,911

(b) *Net liability for defined benefits*

Movement of the net asset (liability) for defined benefits:

The following table shows a reconciliation between the opening balances and final balances of the net liability (asset) for defined benefits and their components.

		Defined benefit plan obligations		Fair value of the plan's assets		Net defined benefit plan (asset) liability	
		December 31, 2023	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**	**December 31, 2023**	**December 31, 2022**
Opening balance	COP	198,287	226,062	(95,322)	(113,449)	102,965	112,613
Financial expense (income)		24,681	18,391	(12,630)	(9,642)	12,051	8,749
Payments made during the period		(28,776)	(26,435)	28,776	26,435	-	-
Taxes paid		-	-	723	250	723	250
Contributions made		-	-	(11,755)	(11,431)	(11,755)	(11,431)
Other comprehensive income		35,192	(19,731)	(7,720)	12,515	27,472	(7,216)
End balance	COP	229,384	198,287	(97,928)	(95,322)	131,456	102,965

Retirement pension plan:

Based on the collective bargaining agreements signed with the workers' union, the Group recognizes in its financial statements the obligations arising from the retirement pension benefits plan for employees who have fulfilled the requirements of age and time of employment at the Group. Currently, this benefit is only recognized for employees who have fulfilled the requirements, i.e., current employees are not entitled to receiving this benefit directly from the Group, and pursuant to Colombian law they only have access to this benefit through a pension fund management company.

(Amounts in COP million)

Pension plan assets - funds:

The pension plan assets are held separately from the Company's assets, through trust funds controlled by the trust management companies Fiducolombia and Fiduprevisora, which manage these funds and make the payments to the retirees. The Group makes new contributions to these trust funds each year, to the extent that they are required. The terms of the contracts is five (5) years, and they were renewed in July 2022 for one year until July 2023.

The fair value of the equity and debt instruments that make up the asset plan of the pension plan is updated based on market prices quoted in active markets.

Actuarial assumptions:

The following were the main actuarial assumptions at the reporting date:

	December 31, 2023	December 31, 2022
Discount rate	11.50%	13.25%
Future salary increases	9.60%	12.63%
Inflation	9.60%	12.63%
Mortality rate (1)	RV-08	RV-08

(1) Demographic hypothesis table.

Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, maintaining the other assumptions constant, would have the following effects on the amount of the defined benefit obligation.

Present value of the Defined Benefits Obligation

Assumption	**Increase / Decrease**	**Effect on the defined benefits obligation**	
		December 31, 2023	December 31, 2022
Discount rate	50 decrease	238,930	206,139
Discount rate	50 increase	225,437	195,309
Pensions increase	50 decrease	224,330	194,375
Pensions increase	50 increase	240,067	207,096

Percent effect on the defined benefits obligation

(Amounts in COP million)

Assumption	Increase / Decrease	Effect on the defined benefits obligation	
		December 31, 2023	December 31, 2022
Discount rate	50 decrease	2.99%	2.77%
Discount rate	50 increase	(2.83%)	(2.63%)
Pensions increase	50 decrease	(3.30%)	(3.09%)
Pensions increase	50 increase	3.48%	3.25%

Change in the defined benefits obligation

Assumption	Increase / Decrease	Effect on the defined benefits obligation	
		December 31, 2023	December 31, 2022
Discount rate	50 decrease	6,937	5,558
Discount rate	50 increase	(6,556)	(5,272)
Pensions increase	50 decrease	(7,664)	(6,205)
Pensions increase	50 increase	8,073	6,516

Weighted duration of the defined benefits obligation

Assumption	Increase / Decrease	Effect on the defined benefits obligation	
		December 31, 2023	December 31, 2022
Discount rate	50 decrease	5.81	5.47
Discount rate	50 increase	-	5.33

25 Provisions

At December 31, 2023 and 2022, the carrying amount of the provisions includes the following:

	December 31, 2023	December 31, 2022
Dismantling (*)	COP 349,444	COP 372,301
Litigation	131,745	124,331
Other provisions	197,836	217,739
Pension quota-shares	2,610	2,294

(Amounts in COP million)

	681,635	COP 716,665
Current	129,881	149,729
Non-current	551,754	566,936
	681,635	716,665

The movements in provisions are described below:

		Litigation	Other provisions (1)	Dismantling	Pension quota-shares	Total
Balance at December 31, 2021	COP	88,150	137,079	227,180	3,006	455,415
Increases		7,843	58,867	120,751	-	187,461
Use		-	(69,380)	(233,820)	(712)	(303,912)
Other		1,742	13,223	-	-	14,965
Financial expenses		-	-	20,662	-	20,662
Translation effect		26,596	77,950	237,528	-	342,074
Balance at December 31, 2022	COP	124,331	217,739	372,301	2,294	716,665
Increases		28,718	416,776	22,954	316	468,764
Use		(2,588)	(391,101)	-	-	(393,689)
Other		-	-	18	-	18
Financial expenses		(2,394)	-	(45,762)	-	(48,156)
Translation effect		(16,322)	(45,578)	(67)	-	(61,967)
Balance at December 31, 2023	COP	131,745	197,836	349,444	2,610	681,635

(1) They are mainly technical provisions on the insurance reserves of the subsidiary EEB Energy RE, provisions for investment project costs, and provisions for environmental licenses and offsetting.

26 Tax liabilities

At December 31, 2023 and 2022, the balance of tax liabilities includes the following:

	December 31, 2023	December 31, 2022
Income Tax	COP 34,086	COP 125,007
Withholdings payable	47,714	28,816

(Amounts in COP million)

Sales tax	55,427	9,336
Municipal tax	16,213	12,900
Other taxes, duties and levies	959	968
	154,399	177,027
Current	COP 154,399	COP 177,027

27 Income tax

Income tax expense (revenue) recognized in the period's results:

	December 31, 2023	December 31, 2022
Current tax		
Income tax	366,707	434,783
Prior period adjustments	521	4,309
Total current income tax	COP 367,228	COP 439,092
Deferred tax		
Net deferred tax of the period	244,811	137,010
Total deferred tax	244,811	137,010
Total income tax	**COP 612,039**	**COP 576,102**

Amounts recognized in other comprehensive income (OCI)

December 31, 2023

	Amount before taxes	Deferred tax OCI	Net amount
Cash flow hedges - effective portion of changes in fair value	748,417	(263,659)	484,758
Re-measurement of defined benefit obligations	(35,414)	12,396	(23,018)
Investments in subsidiaries	67,166	(23,508)	43,658
Total	**COP 780,169**	**COP (274,771)**	**COP 505,398**

(Amounts in COP million)

December 31, 2022

	Amount before taxes	Deferred tax OCI	Net amount
Cash flow hedges - effective portion of changes in fair value	(16,770)	4,088	(12,682)
Re-measurement of defined benefit obligations	7,668	(2,760)	4,908
Total	COP (9,102)	COP 1,328	COP (7,774)

Reconciliation of effective tax rate:

	December 31, 2023	December 31, 2022
Combined pre-tax profit for the period	**COP 4,807,389**	**COP 4,940,323**
Statutory income tax rate	35%	35%
Theoretical tax expense according to the applicable tax rate	**1,682,582**	**1,729,113**
Non-taxable expenses recognized in accounting	49,697	42,184
Tax credits not recognized in net income	(276)	(1,401)
Non-taxable revenues recognized in net income	(1,050,840)	(1,168,670)
Effect of permanent items	(27,130)	16,553
Difference in rate with the country of origin	(41,994)	(41,677)
	COP 612,039	COP 576,102

The effective rate at December 2023 and 2022 was 12.73% and 11.66%, respectively.

The following are the income tax rates that apply to each company, depending on their respective jurisdictions:

Country	December 31, 2023	December 31, 2022
Colombia	35% nominal	35% nominal
Peru	29.5% 30% for legal stability	29.5% 30% for legal stability
Guatemala	25% on profits of for-profit activities	25% on profits of for-profit activities
Brazil	34%	34%

The following are the income tax returns that have not been reviewed by the tax authorities:

Company	years
Grupo Energía Bogotá	2017 to 2020 and 2022

Company	years
Transportadora de Gas Internacional	2018 - 2020 – 2021 – 2022
Contugas	2018 to 2022
Transportadora de Energía de Centro América	2019 to 2022
Gas Natural de Lima y Callao	2018 to 2022
EEB Perú Holdings	2018 to 2022
EEB Ingeniería y Servicios	2018 to 2022
EEB Gas S.A.S.	2018 to 2022
Dunas Energía	2017 to 2022
PPC	2017 to 2022
Cantalloc	2017 to 2022

Deferred Tax:

The differences between the carrying amounts of assets and liabilities and their respective tax bases give rise to the following temporary differences, which generate deferred taxes that are measured and recognized in the years ended on December 31, 2023 and 2022, based on tax rates currently in effect as reference for the years in which such temporary differences will be reversed.

The following is the analysis of the deferred tax assets and liabilities presented in the consolidated financial statements of financial position:

	December 31, 2023	December 31, 2022
Deferred tax liabilities	(3,003,385)	(2,770,352)
Net deferred tax	**COP (3,003,385)**	**COP (2,770,352)**

(Amounts in COP million)

Movements of deferred tax balances:

December 31*, 2023*

	Balance at December 31, 2022	Recognized in profit or loss	Recognized in OCI	Translation effect	Balance at December 31, 2023
Deferred tax asset:					
Allowance on trade accounts receivable	9,640	-	-	-	9,640
Inventories	1,386	(42)	-	(194)	1,150
Accounts receivable	-	4,440	-	336	4,776
Accounts payable	330,715	(269,768)	(16,489)	(44,458)	-
Mandatory benefits	7,210	212	-	-	7,422
Obligations	32,742	2,620	-	(2,280)	33,082
Other non-financial assets	-	9,360	-	1,308	10,668
Other liabilities	236,641	(9,517)	-	(1,762)	225,362
Other financial liabilities	424,510	(114,260)	(315,695)	5,445	-
Employee benefits	2,552	2,412	-	(788)	4,176
Dismantling	88,694	27,661	-	(1,123)	115,232
Tax losses	110,244	2,295	-	(566)	111,973
Total deferred tax assets	**1,244,334**	**(344,587)**	**(332,184)**	**(44,082)**	**523,481**
Deferred tax liabilities:					
Property, plant and equipment	(2,655,967)	89,020	-	227,603	(2,339,344)
Investment properties	(175,830)	5,306	-	40,327	(130,197)
Accounts payable		(50,406)	-	-	(50,406)
Accounts receivable	(2,098)	2,098	-	-	-
Other non-financial assets	(7,408)	7,408	-	-	-
Other financial liabilities		(211,983)	-	-	(211,983)
Trade accounts	(298,887)	275,118	-	(665)	(24,434)
Intangible assets	(561,184)	(47,363)	-	62,479	(546,068)
Financial assets	(160,129)	18,567	68,525	(172)	(73,209)
Investments in controlled companies	(107,299)	21,415	(23,508)	-	(109,392)
Provisions	(34,912)	1,696	-	1,060	(32,156)
Actuarial calculation of pensions	(10,972)	(11,100)	12,395	-	(9,677)
Total deferred tax assets	(4,014,686)	99,776	57,412	330,632	(3,526,866)
Total deferred tax	(2,770,352)	(244,811)	(274,772)	286,550	(3,003,385)

(Amounts in COP million)

December 31, *2022*

	Balance at December 31, 2021	Effect of business combinations	Recognized in profit or loss	Recognized in OCI	Recognized in equity (1)	Translation effect	Balance at December 31, 2022
Deferred tax asset:							
Allowance on trade accounts receivable	9,279	-	(11,804)	-	-	427	(2,098)
Accounts receivable	40	-	8,493	-	-	1,107	9,640
Inventories	784	-	443	-	-	159	1,386
Accounts payable	23,572	-	1,149	-	-	(1,345)	23,376
Mandatory benefits	7,829	-	(1,219)	-	-	600	7,210
Other liabilities	325,537	-	(138,829)	-	-	49,934	236,642
Other financial liabilities	197,209	-	434,812	(175,251)	-	(32,260)	424,510
Employee benefits	1,834	-	196	-	-	522	2,552
Actuarial calculation of pensions	515	-	(8,726)	(2,760)	-		(10,971)
Tax losses	94,309	4,009	(4,009)	-	-	15,936	110,245
Dismantling	119,432	-	(49,193)	-	-	18,455	88,694
Obligations		-	292,574	-	-	38,141	330,715
Total deferred tax assets	**780,340**	**4,009**	**523,887**	**(178,011)**	-	**91,676**	**1,221,901**
Deferred tax liabilities							
Trade accounts	(136,467)	-	(160,446)	-	-	(1,975)	(298,888)
Intangible assets	(421,417)	-	(45,950)	-	-	(93,817)	(561,184)
Financial assets	(39,453)	-	(300,016)	179,339	-	-	(160,130)
Investments in controlled companies	(107,299)	-	-	-	-	-	(107,299)
Property, plant and equipment	(2,087,725)	(54,378)	(142,277)	-	53,229	(425,899)	(2,657,050)
Investment properties	(141,277)	-	4,371	-	-	(38,924)	(175,830)
Other non-financial assets	1	-	(6,554)	-	-	(854)	(7,407)
Provisions	(12,445)	-	(10,025)	-	-	(1,995)	(24,465)
Total deferred tax assets	**(2,946,082)**	**(54,378)**	**(660,897)**	**179,339**	**53,229**	**(563,464)**	**(3,992,253)**
Total deferred tax	**(2,165,742)**	**(50,369)**	**(137,010)**	**1,328**	**53,229**	**(471,788)**	**(2,770,352)**

(1) Deferred tax is recognized under equity due to a change in the fixed assets accounting policy of Elecnorte starting on January 1, 2022, which changed the measurement for the functional units and rights of way, performing the calculations retrospectively.

(Amounts in COP million)

Non-recognized deductible temporary differences, unused tax losses and unused tax credits – The following is the balance of tax losses pending offsetting at December 31, 2023:

	Year generated	Original amount	Non-recognized unused balance	Expiration year
Grupo Energía Bogotá	2015	44,584	44,584	Does not expire
Contugas	2022	374,770	374,770	2026
Calidda Energía	2020	1,804	1,804	2024
	2021	290	290	2025
Transportadora de Energía de Centro América	2021	2,827	2,827	2024
	2022	2,524	2,524	2025
EEB Ingeniería y Servicios	2021	661	661	2024
	2022	1,286	1,286	2025

Non-recognized taxable temporary differences, unused tax losses and unused tax credits – The temporary differences related to investments in subsidiaries, branches and associates and interests in joint ventures on which no deferred tax liabilities have been recognized are attributable to the following:

	December 31, 2023	December 31, 2022
Local subsidiaries	(2,866,983)	(3,599,923)
Foreign subsidiaries	(37,709)	(61,670)
Associates and joint ventures	(161,161)	(239,638)
	COP (3,065,853)	COP (3,901,231)

Significant changes to the income tax regime

In Peru, Guatemala and Brazil there were no significant changes in the income tax regime that would affected operating results.

Tax Reform for Equality and Social Justice

In Colombia, by means of Law 2277 of December 13, 2022, a tax reform was enacted that introduces certain changes related to income tax, which we describe below:

- A minimum tax is established for Colombian residents, setting an additional tax in the event the "cleansed" income tax with certain adjustments is less than 15% of pre-tax accounting profits with certain adjustments. Consequently, taxpayers must: (i) Determine the cleansed tax of the Colombian taxpayer, or the cleansed tax of the group, if it is part of a business group. (ii) Determine the cleansed income of the Colombian taxpayer or of the group, if it is part of a business group, and (iii) Determine the cleansed tax rate of the Colombian taxpayer or of the group, if it is part of a business group. If the effective rate (cleansed tax/cleansed income) is less than 15%, the tax to be added must be calculated until reaching the rate of fifteen percent (15%) for the taxpayer or the group, if it is part of a business group.

- The sum of certain non-taxable income, special deductions, tax exemptions and tax credits is limited to 3% of ordinary taxable income per year.

- Article 158-1 is rescinded, which eliminates the possibility of deducting costs and expenses associated with investments in Science, Technology and Innovation, i.e., such investments will only be entitled to a tax credit. The possibility is maintained a taking a tax credit on 30% of investments in Science, Technology and Innovation that have been approved by the National Council of Tax Benefits (CNBT, for the Spanish original); the previous rule provided a 25% tax credit.

- The tax credit on 50% of municipal tax (ICA) effectively paid before filing the tax return is eliminated. 100% of the amount accrued and paid before filing the income tax return will be deductible.

- Taxes, duties and levies (except income tax) effectively paid during the year that have a causal relationship with income generation continue to be 100% deductible. 50% of the tax on financial transactions (GMF) will be deductible, regardless of whether or not it has a causal relationship with the income producing activity.

- Capital gains are taxed at a rate of 15%.

- A tax withholding of 10% is established on dividends received by national companies when they are classified as neither taxable income nor capital gains (previously, 7.5%), which may be transferred to individual residents or foreign investors. The exceptions established in current regulations are maintained. Dividends and distributions received by permanent establishments of foreign companies in Colombia classified as neither taxable income nor capital gains will be taxed at a special rate of 20%.

- It establishes that the tax on taxable dividends will be determined by: (i) applying the income tax rate of the year in which they are declared (35%), and (ii) on the remainder, the rate of non-taxable dividends will apply, depending on the beneficiary (in the case of resident individuals or non-settled estates of residents, the table of article 241 of the Tax Statute will apply).

Dividends declared on profits from tax year 2016 and earlier years will maintain the treatment in effect at that time; and dividends on profits from tax years 2017, 2018 and 2019 declared after 2020 will be governed by the rules established in Law 2010.

Tax Uncertainties

Grupo Energía Bogotá S.A. E.S.P.

GEB currently has two proceedings in progress with the tax administration related to the income tax for tax years 2017 and 2020. The matter under discussion in both proceedings is whether unrealized income is taxable pursuant to the Controlled Entities Abroad Regime, particularly the unrealized income of EEB Energy RE (a captive insurance company based in Bermuda), Transportadora de Energía de Centroamérica S.A., and EEB Ingeniería y Servicios S.A. (operating companies based in Guatemala). In this regard, the tax administration considers that such income is operating income, which is an inadequate interpretation of the rule.

In connection with the proceedings related to the income tax of the 2017 tax year, in July 2021 GEB received a special request for information. On April 27, 2022, the tax administration served notice of the revised official tax calculation regarding the unrealized income of ECE without tax residence in Colombia, and the Company appealed through a motion for reconsideration. Response was duly given to the special request for information in October, highlighting why we believe that the amounts claimed by DIAN for that period are inappropriate. DIAN issued an official revised tax bill, on which GEB filed a motion for reconsideration against the official revised tax bill. DIAN served notice of the resolution deciding on the motion for reconsideration, confirming the official revised tax bill, in response to which a lawsuit seeking nullity and reestablishment of rights was filed in September 2023.

Regarding the income tax for tax year 2020, GEB received notice of a tax inspection in 2021, in connection with the request for the balance in favor reported in the 2020 income tax return. By means of DIAN Resolution dated May 12, 2022, a refund of part of the balance in favor reported in the 2020 income tax return was confirmed, for a confirmed refund amount of COP 27,481. On May 9, 2022, the tax administration issued a provisional decision of non-admittance of a balance in favor of COP 9,236, in connection with the unrealized income of ECE. Meanwhile, a special request for information was received on May 4, 2022, a reply to which was issued within the established term on July 1, 2022. DIAN issued the official revised tax bill on February 8, 2023. On April 14, 2023, a motion for reconsideration was filed against the official revised tax bill, requesting to revoke the official revised tax bill and to declare the 2020 tax return final.

Gas Natural de Lima y Callao S.A.

Calidda has a dispute with the tax authorities regarding the calculation of the 2018 income tax, arising from the tax audit initiated on March 2, 2022, which ended with a decision resolution dated September 16, 2022, for deduction of legal expenses and amortization of intangible assets with tax supporting documents. The amount in dispute is USD 6,619,000. Because Calidda did not accept the claims according to the decision of SUNAT. On October 17, 2022, a claim was filed appealing the decision resolutions, which was declared without grounds by SUNAT. Consequently, in May 2023 an appeal was filed requesting SUNAT to raise our case to the Tax Tribunal. We are currently awaiting a reply from the tax authorities. However, according to our tax advisors, our arguments are expected to be held grounded in every way.

Other Group Entities

No additional taxes are expected at the other subsidiaries that should be recognized in accordance with IFRIC 23 in connection with tax uncertainties.

Transfer Prices

Colombia

To the extent that companies engage in transactions with related companies abroad, they are subject to transfer price regulations, which in Colombia are governed by Laws 788/2002 and 863/2003. Consequently, the Company has performed a technical study of the transactions made during 2021 and 2022, concluding that there are no situations that would affect that year's income tax. In 2023, no adjustments to the income tax are expected in connection with the transfer prices study.

Peru

Transactions between related parties and transactions through tax havens from tax year 2016 onwards no longer require a Technical Study on Transfer Prices, but instead a local sworn information statement is required, whose deadline for submission is April 2018 (for transactions made during the 2016 tax year) and June for all subsequent years (transactions made during tax year 2017 and subsequent years).

At the same time, for transactions from tax year 2017 and later years, a master and country-by-country sworn information statement must be submitted, though the forms, terms and conditions have not yet been approved by the Tax Administration.

Based on the analysis of the companies' transactions, Management and its legal advisors believe that no material liabilities will arise in connection with transfer prices that would affect the financial statements at December 31, 2022 and 2021.

Guatemala

The special regulations on the valuation of transactions between related parties initially became effective on January 1, 2013. These regulations require all taxpayers that engage in transactions with related parties that are not residents of Guatemala and that affect the tax base to determine the prices of such transactions based on the principle of free competition, and to document such assessment in a transfer prices study. However, article 27 of Decree 19-2013 published on December 20, 2013, suspended the application and effectiveness of these regulations, and established that they once again became effective and applicable starting on January 1, 2015.

(Amounts in COP million)

The companies submitted the Technical Study on Transfer Prices for the 2021 tax year (required from all taxpayers by the Tax Administration Superintendence (SAT, for the Spanish original)). The study concluded that the transactions with related parties comply with the Principle of Free Competition.

28 Other non-financial liabilities

At December 31, 2023 and 2022, the carrying amount of other liabilities includes the following:

	December 31, 2023		December 31, 2022	
Revenues received for third parties		15,375		19,325
Total	COP	15,375	COP	19,325
Current	COP	15,375	COP	19,325

29 Derivative financial instruments

Given the Group's nature and the composition of its assets and liabilities denominated in foreign currency, exchange rate fluctuations affect its results, due to which the Group uses natural and financial hedging as a risk management strategy.

Natural hedges are intended to achieve a balance between assets and liabilities denominated in a foreign currency, while financial hedges aim to minimize the effects of these risks through the use of derivative financial instruments.

Regarding interest rate risks, the Group engages in derivative transactions through swaps to hedge the exchange rate risk of future transactions, as required.

A Swap is a contract through which two parties agree to exchange cash flows on the basis of an asset, index and/or specific national underlying securities. For additional information on GEB's risk management, see Note 30 Risk Management.

GEB enters into interest rate swap (IRS) contracts whose critical terms are identical to those of the hedged item, such as benchmark rate, restart dates, payment dates, maturities and nominal amount. Since during the year all the critical terms matched, an economic relationship exists.

Regarding exchange rate risks, the Group engages in transactions with derivatives such as currency forwards and cross currency swaps (CCS). On the latter, it should be noted that their critical terms are identical to those of the hedged item, such as benchmark rate, reset dates, payment dates, maturities and nominal amount.

(Amounts in COP million)

GEB does not hedge 100% of its loans, because it also has natural hedges that mitigate the impact of exchange rate fluctuations. Consequently, the hedged item is identified as a proportion of the loans outstanding for up to the nominal value of the swaps. Since during the year all the critical terms matched, an economic relationship exists.

The currency forwards have critical terms that are similar to those of the hedged item, such as benchmark rate, payment dates, maturities and nominal amount.

The Group has the following derivative financial instruments at December 31, 2023 and December 31, 2022:

	December 31, 2023		December 31, 2022	
Assets				
Swap contracts				
Interest Rate Swaps (IRS) (1)		380,969		691,536
Cross-Currency Swaps (CCS)		594		-
Total swap contracts	COP	381,563	COP	691,536
Forward contracts		468		-
Total derivative assets	**COP**	**382,031**	**COP**	**691,536**
Liabilities				
Swap contracts				
Interest Rate Swaps (IRS)				-
Cross-Currency Swaps (CCS)		(263,597)		(120,411)
Total swap contracts	COP	(263,597)	COP	(120,411)
Forward contracts		(4,686)		(4,605)
Total derivative liabilities	**COP**	**(268,283)**	**COP**	**(125,016)**

(1) The increase in derivative assets arises from: i) the acquisition of new hedging instruments in 2023 by the subsidiary TGI; ii) ongoing financial hedging management by the subsidiary Calidda, and iii) updating of the fair value of GEB's hedging instruments.

30 Risk Management

Financial risk management objectives - Financial risks are monitored on an ongoing basis through the analysis of net exposures and their magnitudes, in order to manage them in a timely manner.

The risk management system includes the assessment of different mitigation strategies, which include both natural and financial hedges. Financial hedges are used to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures, duly approved by the Board of Directors.

1. *Market Risk*

Given the Group's nature and the composition of its assets and liabilities denominated in foreign currency, exchange rate fluctuations affect its results. In order to manage these risks, the Group uses natural and financial hedges. Natural hedges are intended to achieve a balance between assets and liabilities denominated in a foreign currency, while financial hedges aim to minimize the effects of these risks through the use of derivative financial instruments. In its activities, the Group is also exposed to interest rate risk.

1.1 Foreign Exchange Risk Management

Given that the Group engages in transactions denominated in foreign currency, it continuously monitors exchange rates in order to adequately manage such risks, either through natural or financial hedging.

The following are the assets and liabilities denominated in foreign currency at December 31, 2023 and December 31, 2022, taking into consideration that a foreign currency is any currency other than each entity's functional currency. Below we show USD exposure of GEB separately and TGI (functional currency: Colombian peso - COP), as well as exposure to Peruvian Sols (PEN) for Calidda and Contugas (functional currency: US dollar - USD), respectively:

	Liabilities				Assets			
	December 31, 2023		December 31, 2022		December 31, 2023		December 31, 2022	
Currency	(USD 000)	COP	(USD 000)	COP	(USD 000)	COP	(USD 000)	COP
EUR	12	51	-	-	-	-	-	-
USD	1,910,105	7,300,516	1,736,325	8,352,072	511,917	1,956,571	566,878	2,726,798
COP	-	-	146,257	703,528	-	-	154,746	744,358
PEN	68,691	262,539	43,489	209,189	150,530	575,334	37,455	180,165

Due to new regulations, in June 2023 TGI changed its functional currency from dollars to Colombian pesos. Consequently, exposure to COP does not apply at December 31, 2023, because said subsidiary was the only one with COP foreign exchange exposure because of its previous functional currency (USD).

Foreign currency contracts – GEB has natural hedges that mitigate the impact of exchange rate fluctuations. It also evaluates financial hedges to mitigate both short-term and long-term risks that are considered relevant. To engage in hedging, changes in operating variables, market variables and the entity's accounting balances are permanently monitored and updated to ensure that the hedging strategy is consistent with the Group's reality and the market conditions.

The Group also engages in hedging to cover foreign exchange risks arising from future transactions.

Hedging is used to cover foreign exchange exposures to the Peruvian Sol (PEN). In this regard, the table below presents the foreign currency forward contracts in effect (11 of Calidda) at the end of the reporting period, as well as information on the associated hedged items:

Balances in thousands of dollars

Contracts outstanding	Average exchange rate		Currency Foreign		Value Notional		Value Fair	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Cash flow hedges								
Purchase of USD								
3 months or less	3.752	3.898	PEN	PEN	87,845	49,561	(897)	(930)
Longer than 3 months	N.A.	N.A.			N.A.	-	387	-

It should also be mentioned that Cálidda and TGI use cross currency swaps (CCS) to hedge financial liabilities denominated in PEN through cash flows denominated in that currency and financial liabilities in USD, respectively. The following are the financial conditions of sixteen (16) transactions:

Amounts in millions

Entity	Amount (USD)	Currency right	Currency obligation	Maturity	Fair value (COP)	Fair value (USD)
Cálidda	USD 30.6	PEN	USD	July 23, 2028	COP (17,051.2)	USD (4.5)
Cálidda	USD 30.6	PEN	USD	July 23, 2028	COP (17,051.2)	USD (4.5)
Cálidda	USD 100.6	PEN	USD	September 6, 2029	COP (32,520.2)	USD (8.5)
Cálidda	USD 0.4	USD	PEN	January 31, 2024	COP 153.3	USD 0.0
Cálidda	USD 1.5	USD	PEN	February 29, 2024	COP 440.5	USD 0.1
Cálidda	USD 2.2	USD	PEN	January 31, 2024	COP (1,225.2)	USD (0.3)
Cálidda	USD 2.6	USD	PEN	February 29, 2024	COP (219.9)	USD (0.1)
Cálidda	USD 2.6	USD	PEN	March 27, 2024	COP (292.2)	USD (0.1)
Cálidda	USD 2.5	USD	PEN	April 30, 2024	COP (1,362.9)	USD (0.4)
Cálidda	USD 3.3	USD	PEN	May 31, 2024	COP (292.1)	USD (0.1)
Cálidda	USD 4.8	USD	PEN	June 28, 2024	COP (158.4)	USD (0.0)
Cálidda	USD 5.9	USD	PEN	Aug. 29, 2024	COP (200.3)	USD (0.1)
Cálidda	USD 6.3	USD	PEN	Sep. 30, 2024	COP (946.6)	USD (0.2)
TGI	USD 300	USD	COP	Nov. 1, 2028	COP (102,684.2)	USD (26.9)
TGI	USD 148	USD	COP	Nov. 1, 2028	COP (53,214.3)	USD (13.9)

TGI	USD 100	USD	COP	Nov. 1, 2028	COP (36,378.0)	USD (9.5)

Hedging for Net Investments Abroad – With the purpose of stabilizing variations in equity arising from exchange differences in its businesses abroad, GEB has defined an amount of USD 1,581 million as hedging instrument to cover the above risk, which is equivalent to part of its liability position in financial debt.

Foreign currency sensitivity analysis – The following is a sensitivity analysis assuming a change in the Colombian peso (COP) in terms of a movement in the market representative exchange rate ((TRM), based on the exposure at December 31, 2023 and December 31, 2022, and the implemented risk management:

	Potential Impact on the Income Statement (+/-)	
	December 31, 2023	December 31, 2022
	COP millions	COP millions
1%	53	408
5%	268	2,042

Additionally, we present a sensitivity analysis assuming a change in the Peruvian Sol, given the exposure at December 31, 2023 and December 31, 2022, respectively:

	Potential Impact on the Income Statement (+/-)	
	December 31, 2023	December 31, 2022
	COP millions	COP millions
1%	3,127	290
5%	15.639	1,451

1.2 Interest Rate Risk Management

GEB is exposed to interest rate risk arising from its debts with variable rates; however, a proportion of debts is held at fixed rates, and market variables are continuously monitored in order to implement risk mitigation strategies in a timely manner.

Interest rate swap contracts– In the interest rate swap contracts, the Company agrees to exchange the difference between the fixed rate and floating rate amounts calculated over the agreed notional principal amounts. Said contracts enable the Company to mitigate changes in interest rates over the fair value of the exposures of cash flows and fixed-rate debt issued over the floating rate debts issued.

At December 31, 2023, GEB had eight (8) *Interest Rate Swap* transactions with the following financial terms:

Amounts in millions

Entity	Amount (USD)	Currency right	Currency obligation	Maturity	Fair value (COP)	Fair value (USD)
GEB	USD 300.0	USD	USD	March 9, 2032	COP 308,206.3	USD 80.6
Cálidda	USD 80.0	USD	USD	Nov. 15, 2028	COP 28,161.6	USD 7.4
álidda	USD 20.0	USD	USD	Nov. 15, 2028	COP 6,746.3	USD 1.8
Cálidda	USD 100.0	USD	USD	December 16, 2026	COP 25,532.5	USD 6.7
Cálidda	USD 320.0	USD	USD	December 28, 2026	COP 64,678.5	USD 16.9
Cálidda	USD 30.0	USD	USD	December 28, 2026	COP 6,844.7	USD 1.8
Cálidda	USD 60.0	USD	USD	December 16, 2026	COP 615.5	USD 0.2
Cálidda	USD 40.0	USD	USD	December 16, 2026	COP 2,584.3	USD 0.7

Interest rate sensitivity analysis– At December 31, 2023, 35.62% of GEB's debt is at fixed rate, and the remaining 64.38% of total debt is at floating rates (SOFR 32.94%, IBR overnight 12.20%, CPI 12.73%, and DTF 8.51%). The following is the potential annual impact of a 100-point change in GEB's interest rates, holding everything else constant, excluding the mitigating effects of interest rate hedges:

Change in Interest Rate	Potential Impact on Comprehensive Income (+/-) Thousands of USD	Equivalent in millions of Pesos
100 bps	31,624	120,868

1.3 Credit Risk Management

(Amounts in COP million)

Credit risk is the risk of financial losses for the Group if a customer or a counterparty of a financial instrument fails to fulfill its contractual obligations, which arises mainly in accounts receivable from customers. The carrying amounts of the financial assets represent the maximum exposure to credit loss.

The Group applies the simplified approach of IFRS 9 to measure expected credit losses, establishing an allowance for expected losses over the life of the instrument for all accounts receivable. The Group recognizes the exposure to credit risk by assigning 100% of expected losses to items that are over 90 days past due.

At December 31, 2023 and December 31, 2022, the accounts receivable more than 90 days past due totaled COP 413,772 and COP 473,723, respectively, on which an allowance equivalent to 100% was recognized in both years.

The changes in the accounts receivable allowance for impairment are described below:

Balance at December 31, 2021	COP (566,380)
Impairment	(27,753)
Reversions (1)	208,177
Exchange difference	8,987
Translation effect	(96,754)
Balance at December 31, 2022	COP (473,723)
Impairment	(35,737)
Write-offs	7,060
Reimbursements	2,532
Exchange difference	5,217
Translation effect	80,879
Balance at December 31, 2023	COP (413,772)

(1) The subsidiary Contugas S.A.C. had filed legal proceedings for the recovery of accounts receivable from its customer Corporación Aceros de Arequipa S.A. (CAASA). The ruling on the proceedings was favorable for the subsidiary, based on which the Company recognized a reversion of impairment on its trade accounts receivable and contract assets.

1.4 Liquidity Risk Management

Liquidity risk is the risk that the Group will be unable to fulfill the obligations associated with its financial assets that are settled through the delivery of cash or other financial assets. The Group's liquidity management objective is to ensure, inasmuch as possible, that it will have sufficient liquidity to fulfill its obligations as they come due, both in normal conditions and under stress, without incurring in unacceptable losses.

(Amounts in COP million)

December 31, 2023	Carrying value	Total	Less than one year	Between two and five years	More than five years
Non-derivative financial liabilities					
Financial debt	18,627,852	26,718,846	2,961,081	12,532,541	11,225,224
Accounts payable	804,189	889,637	777,053	48,707	63,877
Financial leases	71,681	337,204	82,951	250,751	3,502
Derivative financial liabilities					
Derivative liabilities	268,283	268,283	268,283	-	-

December 31, 2022		Carrying value Carrying value	Total	Less than one year	Between two and five years	More than five years
Non-derivative financial liabilities						
Financial debt		20,343,365	24,644,709	1,612,969	10,136,423	12,895,317
Accounts payable		879,621	1,235,769	929,153	259,264	47,352
Financial leases		107,239	331,105	71,392	223,711	36,002
Derivative financial liabilities						
Derivative liabilities		125,016	125,016	125,016	-	-
	COP	21,455,241	26,336,599	2,738,530	10,619,398	12,978,671

1.5 Business or operating risks (unaudited)

The Group’s strategic risk matrix includes the following risks associated with its corporate purpose. As set out in the Comprehensive Risk Management Policy, these risks are identified, assessed and monitored periodically in order to determine the results and effectiveness of the risk mitigation measures through the implementation of controls and response plans. The figure below presents the list of risks currently included in the Strategic Risk Matrix of GEB, and the heat map with risk levels.

The most important risks, given their extreme and high-risk levels, are related to regulatory aspects, financial risks, operating risks such as work accidents, and business continuity. These risks are described below:

Risk	Description	Materialized (Yes/No)	Probability of Materialization
Failure to repay the debt and credit obligations of Contugas	Given its financial leverage level, any failure by large customers to pay their accounts receivable, or failure to fulfill the business plan, could lead to default in payment of its debt and credit obligations, which would consequently make it necessary to make further	No	Low

Risk	Description	Materialized (Yes/No)	Probability of Materialization
	capitalizations, and would reduce the net present value of the investment and increase financial losses.		
Breach of the contract between TRECSA and the Government of Guatemala (PET 01/2009, which expires on 11/17/2023)	Declaration of breach of contract by the Ministry of Energy and Mines for failing to fulfill the Works Performance Program or any other obligation derived from this contract or the Transportation License contract.	No	High
Regulatory changes unfavorable to the company's interests	Changes in current regulations (laws, decrees, resolutions, regulations, rulings, doctrine) with a negative impact on the interests of GEB.	Yes	High
Occupational accidents in the operations and activities performed by GEB and its subsidiaries	Occupational accidents in the operations and activities performed by GEB and its subsidiaries of direct employees and third parties, involving serious or fatal injuries.	No	Medium
Lack of continuity in the strategy or failure to implement the corporate governance practices	Periodic changes in the Administration of the city of Bogotá and instability in the strategic guidelines, leading to lack of continuity in the implementation of the strategy and in corporate governance.	No	Medium
Non-continuity of the business	Inadequate preparation to recover and restore critical business activities in case of a risk event that threatens business continuity	Yes	Medium

The following are the main factors that lead to considering these risks as relevant:

The debt risk of the subsidiary CONTUGAS and breach of the PET contract at TRECSA are two risks that are continuously monitored by GEB, due to their substantial impacts on both the finances and reputation of the Group in the event of their materialization, according to the impact levels defined within the Group's current risk appetite framework.

Regarding the risk of regulatory changes, an unfavorable regulatory change or amendment could have considerable impact on business revenues, because the rates and revenues are regulated, which would reduce the profitability of the businesses and therefore reduce GEB's income. Particularly for the electricity and gas businesses in Colombia, the policies adopted by the current government that could affect GEB's interests include the National Development Plan Law and reforms to current regulations. The Company seeks to protect the interests of its shareholders through regulatory monitoring and management, ensuring respect for the criteria of economic efficiency and financial sufficiency, in the event of any plan to reform the energy sector.

(Amounts in COP million)

The political environment and government decisions in the other countries where GEB is present could affect the viability of GEB's businesses and interests. The political and social situation in Peru has produced uncertainty and affected the country's economic indicators, due to which the Company performs scenario analyses and continuously monitors the political and economic events, generating warnings and response plans for the continuity of our businesses in that country.

Preserving and caring for life is one of the core values of GEB. In line with the corporate value of "Life Comes First" and based on the cultural transformation in occupational safety and health, the Group manages the risks of occupational accidents in the operations and activities performed by GEB and its subsidiaries and their direct employees and third parties, with the aim of eliminating impacts associated with serious and/or fatal injuries and mitigating other impacts associated with economic losses and effects to the operations.

We ensure the continuity of the strategy and compliance with corporate governance standards to address environmental and organizational events, in order to fulfill our value proposition to our stakeholders and demonstrate our commitment to the stability of the administration and society.

Lastly, we ensure business continuity by implementing international practices and standards of reference that enable the adequate and timely management of Emergencies, Crises and Crisis Communications, Continuity Plans and Technological Disaster Recovery Plans to assure an acceptable level of delivery of products and services in the event of unplanned interruptions.

1.6 Capital Risk Management

The Group manages its capital to ensure its capacity to remain a going concern, while maximizing shareholder returns through the optimization of debt and capital balances.

The capital structure consists of net debt (loans offset against cash balances) and the Entity's capital (comprised of issued shares, reserves and retained earnings).

The Group's Board of Directors reviews the Entity's capital structure on a quarterly basis. As part of this review, the Audit and Risk Committee considers the cost of capital and the risks associated with each class of capital.

Debt ratio - The following is the debt ratio for the reporting period:

	December 31, 2023	December 31, 2022
Debt (1)	18,699,533	20,450,604
Cash and cash equivalents	(2,289,704)	(1,477,821)
Net Debt	16,409,829	COP 18,972,783
Carrying value of equity	18,908,272	COP 20,502.514
Ratio of net debt over carrying value of equity	86,79%	92,54%

(1) Including financial debt and financial lease liabilities.

(Amounts in COP million)

31 Fair value

Accounting classifications and fair value

The table below shows the carrying values and fair values of financial assets and liabilities, including their fair value hierarchy levels. It does not include fair value information for financial assets and liabilities that are not measured at fair value if their carrying amount is similar to fair value.

		December 31, 2023		December 31, 2023	
		Carrying value	Fair value	Carrying value	Fair value
		Fair value - hedging instruments	Level 2	Fair value - hedging instruments	Level 2
Financial assets at fair value					
Interest Rate Swaps (IRS)		380,969	380,969	691,536	691,536
Cross-Currency Swaps (CCS)		594	594	-	-
Forward contracts		468	468	-	-
	COP	**382,031**	**382,031**	**691,536**	**691,536**
Financial liabilities at fair value					
Cross-Currency Swaps (CCS)		(263,597)	(263,597)	(120,411)	(120,411)
Forward contracts		(4,686)	(4,686)	(4,605)	(4,605)
	COP	**(268,283)**	**(268,283)**	**(125,016)**	**(125,016)**

Valuation techniques and significant non-observable inputs:

Financial instruments at fair value.

Interest rate swaps: Swap models - Fair value is calculated as the present value of the future estimated cash flows. The estimation of future cash flows at floating rates depends on the type of swaps quoted, their future prices and interbank loan rates. The estimated cash flows are discounted using an interest curve built from similar sources that reflects the relevant reference interbank rate used by market participants in setting the prices of interest rate swaps.

Cross Currency Swaps: Swap models - Fair value is calculated as the present value of the future estimated cash flows. The estimation of future cash flows at floating rates depend on the type of swaps quoted, the future prices, interbank loan rates and currency prices. The estimated cash flows are discounted using an interest curve built from similar sources that reflects the relevant reference interbank rate and data on cross currencies used by market participants in setting the prices of cross-currency swaps.

(Amounts in COP million)

Currency term contracts: Term prices - Fair value is determined using term exchange rates at the reporting date and present value calculations using high credit quality yield curves in the respective currencies.

Transfers between hierarchy levels: There were no transfers between hierarchy levels in the 2023 and 2022 periods.

Fair value measurements on a non-recurring basis:

Amortized cost is a reasonable approximation to fair value for the following financial assets and liabilities:

	December 31, 2023		December 31, 2022	
Assets	**Amortized cost**	**Fair value**	**Amortized cost**	**Fair value**
Cash and cash equivalents	2,289,704	2,289,704	1,477,821	1,477,821
Trade and others accounts receivable	1,681,678	1,681,920	1,566,542	1,566,542
Accounts receivable from related parties	213,375	213,375	153,830	153,830
Liabilities				
Loans	18,627,852	18,627,852	20,343,365	20,343,465
Lease liabilities	71,681	71,681	107,239	107,239
Trade and other accounts payable	804,189	804,189	879,621	879,621
Accounts payable to related parties	777	777	389	389

32 Equity

Capital **-** The authorized capital of the Company is 44,216,417,910 shares with nominal value of COP 53.60 each, of which 9,181,177,017 shares were subscribed and paid in at December 31, 2023 and December 31, 2022, distributed as follows:

	December 31, 2023		December 31, 2022	
	Shares	%	Shares	%
Bogotá, Capital District	6,030,406,241	65.68%	6,030,406,241	65.68%
Fondo de Pensiones Obligatorias Porvenir Moderado	696,699,030	7.59%	722,927,630	7.87%
Fondo de Pensiones Obligatorias Protección Moderado	535,849,356	5.84%	535,849,356	5.84%
CFC GAS HOLDING S.A.S.	266,254,134	2.90%	-	-
Corporación Financiera Colombiana S.A.	209,044,514	2.28%	475,298,648	5.18%

(Amounts in COP million)

Fondo de Pensiones Obligatorias Colfondos Moderado	195,797,187	2.13%	206,558,994	2.25%
Other	1,247,126,555	13.57%	1,210,136,148	13.18%
	9,181,177,017	100%	9,181,177,017	100%

Additional paid-in-capital – It mainly arises from the issuance and placement of shares performed by the Company in 2011.

Legal reserve – According to Colombian law, the Company must transfer as a minimum 10% of each year's profits to a legal reserve, until it reaches an amount equal to 50% of subscribed capital. This reserve is not available for distribution, but it can be used to absorb losses.

Reserve for rehabilitation, extension and replacement of system – In order for the 1997 profits to quality for the income tax exemption of article 211 of the Tax Statute, an appropriation was made as a reserve for system upgrades, expansions and replacements for the provision of residential public utility services.

Equity method reserve – A reserve is created from reported earnings for the application of special valuation techniques under the equity method.

Other reserve - Art. 130 of the Tax Statute – It was established in compliance with article 130 of the Tax Statute, due to a surplus in the depreciation for tax effects that is deductible from income tax.

Occasional reserves – The Group has not distributed to shareholders the profits arising from currency exchange differences (net) that arise from accounting movements and have not been effectively realized as profits.

Distribution of dividends – Pursuant to Minutes No. 091 of March 29, 2023, the General Meeting of Shareholders decided to declare dividends payable for COP 2,001,497.

Pursuant to Minutes No. 090 of March 28, 2022, the General Meeting of Shareholders decided to declare dividends payable for COP 1,762,786.

33 Revenues

The following is a breakdown of revenues at December 31, 2023 and 2022:

		December 31, 2023	December 31, 2022
Natural gas distribution	COP	4,112,108	3,690,129
Natural gas transport		2,005,186	1,704,844
Electricity transmission		1,205,764	911,153
Electricity distribution		655,375	568,465

(Amounts in COP million)

	COP	7,978,433	6,874,591

34 Cost of sales

The following is a breakdown of cost of sales at December 31, 2023 and 2022:

		December 31, 2023	December 31, 2022
General (1)	COP	3,153,153	2,883,274
Depreciation and amortization		874,083	749,041
Personal services		232,508	163,409
Contributions and levies		139,847	97,055
Taxes		16,428	10,615
Contributions		15,394	9,128
	COP	4,431,413	3,912,522

(1) These are mainly gas transport services, professional fees and maintenance.

35 Administrative and operating expenses

The following is a breakdown of administrative and operating expenses at December 31, 2023 and 2022:

		December 31, 2023	December 31, 2022
Professional fees, supplies and maintenance	COP	381,129	347,135
Personal services		267,180	215,623
Provisions		56,774	184,242
Impairment (reversion) of long-term assets		-	(85,109)
Taxes, contributions and levies		108,713	116,538
Depreciation and amortization		110,862	87,176
Contributions		46,700	33,238
	COP	971,358	898,843

36 Other income, net

The following is a breakdown of other income and expenses at December 31, 2023 and 2022:

(Amounts in COP million)

	December 31, 2023	December 31, 2022
Insurance	3,414	(10,559)
Professional fees	12,873	12,077
Leases	10,322	9,492
Sale or derecognition of assets	(9,276)	(1,745)
Recoveries	43,234	29,959
Other	6,050	18,056
Expenses and costs from prior periods	(13,295)	(7,119)
	53,322	50,161

37 Financial Income

The following is a breakdown of financial income at December 31, 2023 and 2022:

		December 31, 2023	December 31, 2022
Interest (1)	COP	157,855	88,102
Hedging transactions (2)		102,317	65,158
Buyback of TGI bonds (3)		7,646	62,524
Income from sale of accounts receivable (4)		-	42,481
Other		3,410	737
	COP	271,228	259,002

(1) The COP 69,753 increase in interest is mainly due to the increase in the financial yields of investments in cash equivalents and term deposits.

(2) In 2023, the net amount was recognized for the rights and obligations associated with cross currency swaps and interest rate swaps of the companies GEB for COP 148,540, TGI (COP 139,238) and Calidda for COP 93,015.

(3) The gain on the buyback of TGI bonds arises from the lower value of the nominal rate applied on the bond buyback date, which reduced the nominal amount paid, and for this reason it is considered financial income.

(4) During the year ended on December 31, 2022, Gas Natural de Lima y Callao S.A. made a transaction with IDB Invest under which the substantial risks and benefits of part of the customer finance accounts receivable were transferred to the latter by the Company. The principal amount

transferred was equivalent to thousands of USD 26,648 and the agreed transaction price produced financial income in the amount to thousands of USD 9,983 recognized in the income statement as Sale of Accounts Receivable.

38 Financial Expenses

The following is a breakdown of financial expenses at December 31, 2023 and 2022:

		December 31, 2023	December 31, 2022
Interest (1)	COP	1,378,443	960,682
Fees		22,389	12,562
Actuarial calculation		30,943	22,897
Other		47,742	23,743
	COP	1,479,517	1,019,884

(1) It includes interest derived from financial leases.

The increase in financial expenses, mainly interest expenses, is due to: i) interest due to higher indebtedness arising from the international bond issuance under Rule 144A in November 2023; ii) new borrowings at the subsidiary TRECSA with BAC International Bank Inc and Banco Itau; iii) new borrowings at Calidda with Corporación Andina and the last disbursement of the syndicated loan; iv) higher interest at the subsidiary Contugas arising from the variable interest rates. For additional details on the new borrowings during 2023, see Note 21 on financial debt.

39 Transactions with Related Parties

Transactions with key management personnel - The remuneration received by key management personnel totaled COP 34,278 and COP 34,598 in 2023 and 2022, respectively. The remuneration of key management personnel includes salaries, non-monetary benefits and pocket expenses, among others. The key management personnel does not receive long-term compensation.

Other transactions with related parties - The balances and transactions between GEB and its subsidiaries, which are related parties, have been eliminated in the consolidation and are not disclosed in this note. The transactions between the Entity and other related parties are described further below. The balance mainly represents dividends receivable from associates.

The following balances were outstanding at the end of the reporting period:

(Amounts in COP million)

		Accounts receivable		Accounts payable	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Investments in associates					
Enel Colombia S.A. E.S.P.	COP	883	-	777	389
Promigas S.A. E.S.P.		31,532	13,499	-	-
VANTI S.A. E.S.P.		122,503	101,417	-	-
Joint ventures					
Gebbras		58,457	38,914	-	-
	COP	213,375	153,830	777	389

40 Contingent Assets and Liabilities

Bogota Energy Group:

At December 31, 2023 and December 31, 2022, claims against the Company in administrative, civil and labor lawsuits totaled COP 152,310 and COP 112,573, respectively. Based on the assessment of the probability of success in the defense of these cases, the Company has set aside provisions for COP 2,501 and COP 2,918 to cover the probable losses from these contingencies.

Management, jointly with its external advisors, has concluded that the outcomes of the proceedings on which no provisions have been made will be favorable to the interests of the Company and will not produce material liabilities that should be recognized, or, in the event any do arise, they will not significantly affect the Company's financial position.

Legal proceedings whose outcome will probably be an unfavorable ruling for GEB are classified as "probable" and provisions are made, summarized as follows at December 31, 2023 (see Note 25):

Type of Process	Number of processes	Total value
Labor	7	1,400
Civil	1	1,101
Total	**8**	**COP 2,501**

Legal proceedings whose outcome will probably be an unfavorable ruling for GEB are classified as "possible" and are considered contingent liabilities, summarized as follows:

(Amounts in COP million)

Type of Process	Number of processes at GEB	Total value
Labor	110	19,163
Administrative	8	34,089
Total	**118**	**COP 53,252**

Proceedings classified as probable and that are not included in the provision because they are ordinary labor proceedings filed by retirees for the reestablishment of extra-legal benefits that were eliminated through direct application of Legislative Act 01/2005. They are classified as a probable unfavorable ruling, and are included in the actuarial calculation provision (Note 25):

Type of Process	Number of processes	Total value
Provisions	2	COP 450

Transportadora de Gas Internacional S.A. E.S.P.

At December 31, 2023 and December 31, 2022, claims against TGI in administrative, civil and labor lawsuits totaled COP 228,476 and COP 213,497, respectively. Based on the assessment of the probability of success in the defense of these cases, TGI has set aside provisions for COP 25,981 and COP 23,587 to cover the probable losses from these contingencies.

Management, jointly with its external advisors, has concluded that the outcomes of the proceedings on which no provisions have been made will be favorable to the interests of TGI and will not produce material liabilities that should be recognized, or, in the event any do arise, they will not significantly affect TGI's financial position.

Proceedings classified as probable that are not included in the provision:

Type of Process	Number of processes at GEB	Total value
Administrative (1)	31	212,063
Civil	4	12,462
Labor	12	3,951
Total	**47**	**COP** 228,476

1) It includes lower court proceedings at the Administrative Court of Santander, associated with the administrative contentious proceedings of Servinacional Ltda against TGI. The plaintiffs' claims amount to COP 2,092 for 2023, due to breach of contract No. 0073. Another proceeding

is before the Administrative Court of Boyacá, of Bellelli Engineering SPA Sucursal Colombia against TGI. The plaintiffs' claims amount to COP 207,449 million for 2023, for the illegal termination of contract No. 750759 and for payment of the associated damages caused by such termination. Other possible proceedings are in progress that total COP 2,522.

Grupo Dunas:

Several lawsuits have been filed against Grupo Dunas, related to claims from different municipalities, labor claims, civil claims for indemnity, penalties by OSINERGMIN and others arising from tax audits by the Tax Administration, on which at December 31, 2023 provisions have been made for COP 11,888 (COP 13,880 at December 31, 2022) for the probable contingencies. Also at December 31, 2023, possible contingencies totaled COP 8 in labor proceedings and COP 3,472 in regulatory proceedings (COP 10 in labor proceedings and COP 2,990 in regulatory proceedings at December 31, 2022, respectively).

The other subsidiaries have no contingencies that would require recognition or disclosure at December 31, 2023.

41 Operating Segments

The main segments identified for Grupo Energía Bogotá, according to management's information requirements and in accordance with IFRS 8 are:

- Electric energy transmission: The electricity transport service through high voltage networks, plus the connection services to the National Transmission System, and coordination, control and supervision of the operation of the transmission assets.

- Electric energy distribution: After receiving the electric energy from the generation process, GEB is in charge of reducing its voltage at the substations. Then the electric energy passes through the transformers located on city electricity poles. This entire process is carried out through distribution networks, which consist of the lines and substations -and their associated equipment- deployed to serve the users.

- Natural gas transportation: It is the service of transporting gas through gas pipelines to cities for use by households, industry and vehicles.

- Natural gas distribution: It is the service of supplying natural gas by distributing it from a distribution substation through networks, and delivering the gas to each user, covering household, commercial, industrial and vehicle markets.

The following is the information on the Group's operating segments:

(Amounts in COP million)

Electricity transmission	Electricity distribution	Natural gas transport	Natural gas distribution
Grupo Energía de Bogotá	Grupo Dunas	Transportadora de Gas Internacional S.A. E.S.P. TGI	Gas Natural de Lima y Callao S.A. (Calidda)
Elecnorte S.A.S. E.S.P.	Calidda Energía S.A.C.		Contugas S.A.C.
Transportadora de Energía de Centroamérica S.A. (TRECSA)			
Enlaza Grupo Energía Bogotá SAS E.S.P.			
EEB Ingeniería y Servicios S.A. (EEBIS)			

December 31, 2023	Electricity transmission	Electricity distribution	Natural gas transport	Natural gas distribution	Other non-reportable segments	Total segments
Assets						
Property, plant and equipment	6,303,518	910,046	8,662,709	45,993	11	15,922,277
Concession assets	-	-	-	5,373,978	-	5,373,978
Investments in associates and joint ventures	-	-	-	-	14,052,768	14,052,768
Total assets	**6,303,518**	**910,046**	**8,662,709**	**5,419,971**	**14,052,779**	**35,349,023**
Liabilities						
Financial debt						
Bonds	2,042,064	305,165	2,130,619	568,344	3,697,841	8,744,033
Loans	997,161	64,487	1,343,171	4,116,129	3,362,871	9,883,819
Total liabilities	**3,039,225**	**369,652**	**3,473,790**	**4,684,473**	**7,060,712**	**18,627,852**
Operating revenues	1,205,764	655,375	2,005,186	4,112,108	-	7,978,433
Operating costs	(435,936)	(376,571)	(687,054)	(2,931,852)	-	(4,431,413)
Gross profit	**769,828**	**278,804**	**1,318,132**	**1,180,256**	**-**	**3,547,020**
Equity method in associates and joint ventures	-	-	-	-	1,718,584	1,718,584
Depreciation and amortization expenses						
Depreciation	111,863	92,926	424,318	13,401	3	642,511
Amortization	43,889	2,374	25,113	271,058	-	342,434
Total expenses	**155,752**	**95,300**	**449,431**	**284,459**	**3**	**984,945**

(Amounts in COP million)

	Electricity transmission	Electricity distribution	Natural gas transport	Natural gas distribution	Other non-reportable segments	Total segments
December 31, 2022						
Assets						
Property, plant and equipment	6,062,812	1,061,538	9,836,277	52,614	-	17,013,241
Concession assets	-	-	-	6,456,987	-	6,456,987
Investments in associates and joint ventures	-	-	-	-	15,556,173	15,556,173
Total assets	**6,062,812**	**1,061,538**	**9,836,277**	**6,509,601**	**15,556,173**	**39,026,401**
Liabilities						
Financial debt						
Bonds	2,588,660	373,039	2,895,561	2,250,768	1,953,540	10,061,568
Loans	1,461,481	118,527	-	3,216,655	5,485,134	10,281,797
Total liabilities	**4,050,141**	**491,566**	**2,895,561**	**5,467,423**	**7,438,674**	**20,343,365**
Operating revenues	911,153	568,465	1,704,844	3,690,129	-	6,874,591
Operating costs	(303,935)	(340,675)	(633,533)	(2,634,379)	-	(3,912,522)
Gross profit	**607,218**	**227,790**	**1,071,311**	**1,055,750**	**-**	**2,962,069**
Equity method in associates and joint ventures	-	-	-	-	2,096,085	2,096,085
Depreciation and amortization expenses						
Depreciation	77,008	54,444	391,533	8,754	-	531,739
Amortization	35,966	2,658	18,530	247,324	-	304,478
Total expenses	**112,974**	**57,102**	**410,063**	**256,078**	**-**	**836,217**

Geographic information - The geographic information describes the revenues and non-current assets of the Group by country of domicile of the companies and other countries. In the presentation of the geographic information, the revenues of the segment were based on the geographic location of the clients, and the assets of the segment were based on the geographic location of the assets.

Concentration of customers - The Group and its subsidiaries do not have any individual external customer that accounts for 10% or more of total revenues. The Group and its subsidiaries have a large number of corporate customers.

The following is the information of the segment by country:

December 31, 2023

	Electricity transmission			Electricity distribution	Natural gas transport	Natural gas distribution	Other non-reportable segments		Total
	Colombia	Peru	Guatemala	Peru	Colombia	Peru	Colombia	Brazil	
Property, plant and equipment	4,375,611	3,290	1,927,908	915,033	8,654,432	45,992	-	11	15,922,277
Concession assets	-	-	-	-	-	5,373,978	-	-	5,373,978
Investments in associates and joint ventures	-	-	-	-	-	-	14,052,768	-	14,052,768
Total non-current assets	**4,375,611**	**3,290**	**1,927,908**	**915,033**	**8,654,432**	**5,419,970**	**14,052,768**	**11**	**35,439,023**
Revenues	1,055,913	-	149,851	655,374	2,005,186	4,112,109	-	-	7,978,433
Costs	(368,507)	-	(67,429)	(376,571)	(687,054)	(2,931,852)	-	-	(4,431,413)
Total gross profit	**687,406**	**-**	**82,422**	**278,803**	**1,318,132**	**1,180,257**	**-**	**-**	**3,547,020**
Equity method in associates and joint ventures	-	-	-	-	-	-	1.313.346	405.238	1.718.584

(Amounts in COP million)

December 31, 2022

	Electricity transmission			Electricity distribution	Natural gas transport	Natural gas distribution	Other non-reportable segments		Total
	Colombia	Peru	Guatemala	Peru	Colombia	Peru	Colombia	Brazil	
Property, plant and equipment	3,825,165	33,513	2,204,134	1,061,538	9,836,277	52,614	-	-	17,013,241
Concession assets	-	-	-	-	-	6,456,987	-	-	6,456,987
Investments in associates and joint ventures	-	-	-	-	-	-	13,785,504	1,770,669	15,556,173
Total non-current assets	**3,825,165**	**33,513**	**2,204,134**	**1,061,538**	**9,836,277**	**6,509,601**	**13,785,504**	**1,770,669**	**39,026,401**
Revenues	782,437	-	128,716	568,465	1,704,844	3,690,129	-	-	6,874,591
Costs	(243,939)	-	(59,996)	(340,675)	(633,533)	(2,634,379)	-	-	(3,912,522)
Total gross profit	**538,498**	**-**	**68,720**	**227,790**	**1,071,311**	**1,055,750**	**-**	**-**	**2,962,069**
Equity method in associates and joint ventures	-	-	-	-	-	-	2,003,188	92,897	2,096,085

42 Subsequent Events

After the reporting date and up to the publication date, no relevant events have occurred that would require adjustments or additional disclosures to the consolidated financial statements.

GRUPO ENERGÍA BOGOTÁ S.A. E.S.P.

Certification of the Consolidated Financial Statements

We declare that we have previously verified the assertions contained in the consolidated financial statements of "GRUPO ENERGIA BOGOTA S.A. E.S.P.", ended at December 31, 2023, which have been faithfully taken from the books. Therefore,

- The Group's assets and liabilities exist at the reporting date and the reported transactions were made during the period.

- The assets represent probable future economic rewards (rights) and the liabilities represent probable future economic sacrifices (obligations), obtained or on the account of "the Company" at the reporting date.

- All items have been recognized for the appropriate amounts.

- The economic facts have been correctly classified, described and disclosed.

The financial statements at December 31, 2023, have also been authorized for publication by the Board of Directors on February 22, 2024. These financial statements will be submitted to the consideration of the highest corporate governance body on March 29, 2024, which may approve or disapprove these financial statements.

Jorge Andrés Tabares Ángel
Legal Representative

Julio Hernando Alarcón Velasco
Consolidation and Tax Management Manager
Professional License 53918-T