Results Report

1Q24

Cumulative figures and 1Q

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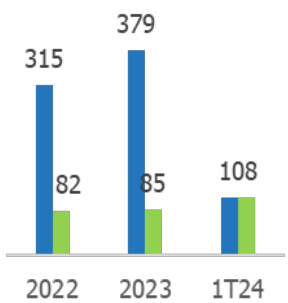
TGI GrupoEnergíaBogotá

TGI presented good business results during 1Q24, with a substantial increase in operating income and EBITDA, due to revenue growth.

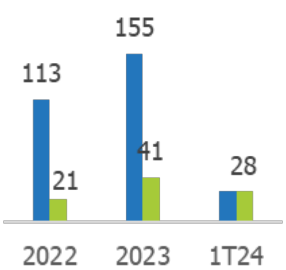
- **Regulation:** i) Five (5) priority projects incorporated in the proposal of the Natural Gas Supply Plan 2023-2038 of the UPME; ii) Acceptance of TGI's proposal of flexibility in the contracting of gas transportation to meet the thermal demand during the El Niño phenomenon and iii) permanent management with CREG, Ministry of Mines and Energy and the Government to achieve the modification of Resolution 175 and the Tariff File.
- **Expansion:** i) Revenues of USD 7.8 M corresponding to commercial and business management for firm contracting, thermal dispatch, contingencies and billing of gas losses.
- **Efficiency:** i) The efficiency portfolio has expected impacts of USD 4.6 M, for: i) Fuel gas against budget 2024 for USD 2.5 M; ii) Savings in supply management of the Corporate Synergy Center for USD 0.3 M in OPEX and USD 0.8 M in CAPEX and; iii) ten new initiatives with recurring impacts in OPEX for USD 0.7 M and One Time for USD 0.3 M.
- **Transformation:** i) Start-up of the first predictive maintenance optimization pilot with iOt sensors and analytics in Miraflores gas compressor station in 5 units and scaling to Vasconia gas compressor station with impacts of USD 0.2 M during the year and an investment of USD 0.8 M in 2024. ii) first phase of biogas study with potential generation for sustainable mobility in two value chains in Bogota through organic waste and wastewater treatment plants.
- **Sustainability:** **i) Environmental:** Cumulative emissions reduction of 4.09% vs. a target of 3.78%; shutdown of TEAS in Hatonuevo and Jagua del Pilar, annually reducing 803 tons CO2 Eq and; prioritization of circularity lines circular economy projects. **ii) Social:** The delivery of 42 solar classrooms in communities was completed, and the rural gasification project in the municipality of La Belleza was completed through the works for taxes mechanism for $6.4 billion. **iii) Governance:** 66 gaps identified and with improvement plans in the ISO 37001 standard; progress in the diagnosis of current crisis scenarios; and a practical workshop on Human Rights due diligence for suppliers and contractors.

Income
(USD M)

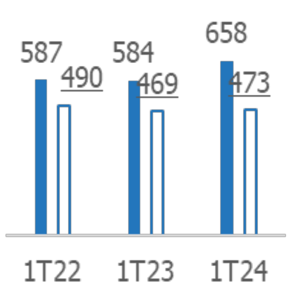
EBITDA
(USD M)



Net Income
(USD M)



Firmly contracted and transported gas
(Mpcd)



Underlined figure: Transported volume
Figures calculated as simple quarterly averages

Table N° 1 - Relevant financial indicators	1Q23	1Q24	Var	Var %
Income *(USD thousands)*	103,984	134,785	30,801	29.6
Operating income *(USD thousands)*	63,038	78,105	15,067	23.9
EBITDA *(USD thousands)*	85,109	107,788	22,679	26.6
EBITDA Margin	81.8%	80.0%	-1.9 pp	
Net income *(USD thousands)*	41,308	28,408	-12,900	-31.2
Total gross debt / EBITDA*	2.4x	2.1x	-0.3x	
Net debt / EBITDA*	2.0x	1.7x	-0.3x	
EBITDA* / Financial expenses*	3.7x	3.2x	-0.5x	

International credit rating:
Fitch - Corporate Rating - Sep. 01 | 23: BBB, stable
Moody's - Bond Rating - Apr. 28 | 23: Baa3, negative

*Last 12 months

Natural gas market in Colombia

- Domestic demand for natural gas increased by 209.7 GBTUD compared to 1Q23 due to the increase in consumption in the thermoelectric sector (+215.3 GBTUD), the vehicle-GNV sector (3.9 GBTUD), offset by the drop in activity in the residential sector (-5.5 GBTUD) and the industrial sector (-3.3 GBTUD).
- Domestic demand decreased -10.0 GBTUD compared to 1Q23 due to the drop in consumption in the industrial sector (-13.8 GBTUD), residential sector (-3.3 GBTUD), offset by the increase in the thermoelectric sector (+4.6 GBTUD) and NGV vehicle sector (+2.4 GBTUD).

Table No. 2 - Natural gas demand by sector	**Colombia**			**Interior of the country**		
(GBTUD)	**1Q23**	**1Q24**	**Var %**	**1Q23**	**1Q23**	**Var %**
Industrial - refinery	416.6	413.3	-0.8%	236.6	222.7	-5.9%
Residential – commercial	228.7	223.1	-2.4%	178.9	175.5	-1.9%
Thermoelectric	161.2	376.5	133.6%	46.2	50.8	9.9%
Vehicular - GNV	52.9	56.8	7.3%	43.0	45.4	5.6%
Petrochemical	5.9	5.3	-9.7%	0.0	0.1	1,430.9%
Total	**865.3**	**1,075.0**	**24.2%**	**504.7**	**494.7**	**-2.0%**

TGI Financial Results

TGI (Transportadora de Gas Internacional S.A. E.S.P.) develops and provides integral solutions for the transportation and logistics of low-emission hydrocarbons to large users, producers and developers of energy markets, connecting sources with consumption centers through long-term relationships. TGI is incorporated under Colombian law.

This report presents the corresponding variations under International Financial Reporting Standards (IFRS) of the comparative financial statements for 1Q23 and 1Q24 (3 months).

Quarterly results 1Q24

Operating Income

Table N°3 - Income by type of position and currency

USD '000	1Q23	1Q24	Var	Var %
By position type				
Capacity & AOM	88,609	115,899	27,290	30.8%
Variables	14,216	15,208	992	7.0%
Other income	1,159	3,677	2,519	217.4%
By Currency				
Indexed to USD	80,738	0	-80,738	-100.0%
Indexed to COP	23,246	134,785	111,539	479.8%
Total	103,984	134,785	30,801	29.6%

As of June 1, 2023 TGI changed its functional currency from USD to COP and executed hedges on the debt denominated in dollars in order to mitigate the exchange rate risk. This change was due to the entry into force of Resolution CREG 175 of 2021, including the revalued investments of the assets that ended their regulatory useful life (VUN) before December 2020 and the application of a new regulatory WACC. However, for comparative purposes, this analysis is maintained in USD.

Below is a detail of the evolution of income by type of charges in 1Q24:

- Fixed investment charges remunerated in COP during the quarter totaled USD 87.0 M (64.6% of total income), an increase of USD 20.5 M (+30. 8%) versus 1Q23. This was mainly due to: i) higher income associated with the subscription of additional firm transportation contracting from several shippers, contingency and conditional transportation contracting during the maintenance period of the Cupiagua production field (USD 4.1 M); ii) variation of the average TRM in 1Q23 versus 1Q24 (USD 14.7 M) and iii) lower suspensions during 1Q24 versus 1Q23 (USD 1.7 M).
- Fixed charges for AO&M, which are remunerated in COP, totaled USD 28.9 M (21.4% of total income). This represented an increase of USD 6.8 M (+30.7%) compared to 1Q23, mainly due to i) higher income associated with the subscription of additional firm transportation contracts from several shippers, contingency and conditional transportation contracts during the maintenance period of the Cupiagua production field (USD 1.3 M); ii) variation of average TRM during 1Q23 compared to 1Q24 (USD 4.9 M) and iii) lower suspensions during 1Q24 compared to 1Q23 (USD 0.6 M).
- Variable charges, which are remunerated in COP, totaled USD 15.2 M (11.3% of total income), an increase of USD 1.0 M (+7.0%) compared to 1Q23, mainly due to the use of the contract variable and transportation for thermal generation.

- Non-regulated operating income, classified as ancillary services, grew 217.4% to close at USD 3.7 M in 1Q24, mainly due to higher income from gas charges associated with gas losses and parking services during the maintenance event at the Cupiagua production field.

As for income by currency, 100% came from charges denominated in COP and increased 479.8%, mainly due to the change in the remuneration of fixed charges and variable charges to COP since Jun-23.

Finally, we are awaiting the issuance of the final resolution that seeks to modify Resolution 175 of 2021 regarding the recognition of foreign exchange risk and assets that will end their useful lives after the entry into force of said resolution and on which it is decided to continue their operation.

As of August 1, 2023, with the entry into force of Resolution CREG 102 002 of June 7, 2023, which amends Resolution CREG 103 of 2021 with respect to the discount rate for gas transportation, the rate changed to 11.88% from 10.94%, in constant Colombian pesos before taxes.

Operating Cost

Table N°4 - Operating Costs

USD '000	1Q23	1Q24	Var	Var %
Professional Services	4,338	4,828	490	11.3%
Maintenance	791	1,680	889	112.3%
ITC	263	1,113	851	323.9%
Depreciation and amortization	22,015	25,016	3,001	13.6%
Other costs	7,280	12,430	5,150	70.7%
Total	34,688	45,068	10,380	29.9%

**ITC: Taxes, Rates and Contributions*

Operating costs increased by USD 10.4 M (29.9%) during the quarter compared to 1Q23, mainly due to the following factors:

- Other costs increased by USD 5.1 M (70.7%) mainly due to an increase in fuel gas, reflecting the increase in the price of the molecule, and to a lesser extent due to the translation effect of the change in the functional currency as of June 1, 2007.
- The cost of depreciation and amortization increased USD 3.0 M (13.6%) as a result of the exchange difference generated by the variation of the TRM at the end of each period.
- Higher maintenance costs of USD 0.9 M (112.3%), mainly due to higher execution of integrity activities and in the operation and maintenance of the Sabana gas pipeline. The latter was generated by a base effect in 1Q23, where there was a temporary under-execution.
- Increase in taxes, rates and contributions by USD 0.9 (323.9%), due to an increase in the solidarity contribution for fuel gas, as well as contributions for increased NGV demand.

Administrative & Operating Expenses (net)

Table N° 5 - Administrative and Operating Expenses (Net)

USD '000	1Q23	1Q24	Var	Var %
Personal services	2,546	2,911	366	14.4%
Overhead	3,227	3,180	-47	-1.5%
Taxes	430	855	425	98.8%
DA&P	1,955	6,104	4,149	212.3%
Other expenses	0	0	0	0%
Other income	-1,899	-1,437	462	-24.3%
Total	6,258	11,612	5,354	85.5%

**DA&P Depreciation, Amortization and Provisions*

Administrative and operating expenses, excluding other income, presented an increase of USD 4.9 M (60.0%), due to:

- An increase in depreciation, amortization and provisions of USD 4.1 M (212.3), due to i) the provision of debtors for USD 3.7 M for receivables from some shippers in 1Q24, as a result of the dispute on the invoiced values for the transportation service and the recognition of portfolio impairment in the quarter, and ii) capitalization of projects in December 2023 corresponding to SAP Hanna, SAP Rise and Dark Trace (artificial intelligence solution) which resulted in an amortization expense of USD 0.5 M during the quarter.
- Higher tax expenses of USD 0.4 M (98.8%) mainly due to the payment of the tax on financial movements (GMF) on the prepayment of the Club Deal type loan.
- Higher personal services expenses by USD 0.4 M (14.4%), mainly due to an increase in the recording of the interest rate benefit on employee loans.

Other income decreased by USD 0.5 M (-24.3%), due to a recovery in 1Q23 from a judgment to the Superintendencia de Servicios Públicos Domiciliarios (SSPD).

During 1Q24 we have continued our efforts to make the efficiencies achieved in the transformation process sustainable; for 2024, we have maintained the strategic focus as one of the levers of the good financial results achieved in recent years. We expect to achieve efficiencies through the optimization of contracting processes planned from planning and selection, thus capturing value that will materialize in 2024.

The Efficiency Pillar results highlight that ten (10) new initiatives were added in 1Q24 with an estimated recurring impact of USD 0.6M and a one-time impact of USD 1.7M, for a total pillar portfolio of USD 24.1M of recurring impact and USD 22.0M of cumulative one-time impact over the life of the transformation program. Of the total portfolio, USD 22.6 M will have a recurring impact on the Company's OPEX while maintaining spend efficiency levels. Compared to the 2023 close, there are USD 1.4 M of additional recurring OPEX impacts, of which USD 0.6 M are from new initiatives included in the 2024 portfolio. In terms of one-time OPEX impacts in 2024, USD 0.3 M have been identified and will be reflected in the 2024 results.

EBITDA

Table N°6 - EBITDA

USD '000	1Q23	1Q24	USD	Var
EBITDA	85,109	107,788	22,679	26.6%
EBITDA Margin	81.8%	80.0%		-1.9 pp

EBITDA increased as a result of the increase in operating income in the 1Q24, due to the change in the method of remuneration for the natural gas transmission service, approved by Resolution CREG 175 DE 2021, regarding the change in the COP of the currency of the fixed and variable charges that remunerate the investment. This was offset by an increase in operating expenses due to higher fuel gas costs as a result of the increase in the price of the molecule and the effect of the exchange rate difference on depreciation; as well as higher administrative and operating expenses due to an increase in the bad debt allowance for some shippers and higher taxes due to the tax on financial transactions in the COP 200,000 M Club Deal type credit.

Non-operating income (net)

Non-operating income (net) increased from USD -5.6 M in 1Q23 to USD -34.7 M in 1Q24, with a variance of USD -29.1 M (-516.9%) mainly due to the following factors

- Financial costs (USD +22.6 M; +138.8%) due to: i) valuation of the exchange risk hedge with derivative financial instruments of the international bond for USD 547.6 M, originated by the change of the functional currency of the financial statements from USD to COP; the cost of the hedge for 1Q24 is USD 16.0 M; ii) interest of the loan subscribed with local financial entities under the "Club Deal" modality to replace the intercompany loan in force with GEB S. A. E.S.P. for USD 14.0 M during 1Q24; iii) lower costs for USD 4.8 M for the interest of the intercompany loan with GEB S.A. E.S.S.P. for USD 14.0 M during 1Q24. A. E.S.P. for USD 14.0 M during 1Q24; iii) lower costs for USD 4.8 M for the interest on the intercompany loan with GEB S.A. E.S.P. recorded in 1Q23; iv) the effect of the financial restatement of the decommissioning provision whose decrease for 1Q24 with respect to 1Q23 is USD 1.5 M; and v) lower interest on the international bond for USD 0.9 M due to the decrease in the outstanding value.
- Net exchange difference (USD -7.0 M; -102.3%): due to the effect of the purchase of foreign currency for payment of intercompany debt, valuation and payment of interest on hedges (forward and swap) and volatility of the TRM during the quarter.

The above was partially balanced by a positive effect of USD 0.5 M (44.8%) in the equity method explained by the reduction in Contugas' losses mainly due to i) an increase in distribution income of USD 0.3 M due to the take or pay invoicing to the customer Tengda; ii) recognition of income margins of USD 0.4 M related to the construction projects of Punche Polyethylene Networks, offset by the increase of expected loss from debit notes issued and not recognized by the customer Egasa for USD 0.1 M.

Taxes

Current (USD 5.4 M; 30.1%), resulting from non-deductible items on the tax figures in COP, mainly in tax depreciation, administrative expenses, hedging, non-deductible provisions and financial expenses.

Deferred (USD -6.5 M; -379.0%), as a result of variations in the calculation bases caused by the exchange rate differential on the Company's foreign currency liabilities and assets and the constitution of hedges.

Net income

Net income decreased from USD 41.3 M in 1Q23 to USD 28.4 M in 1Q24 (USD -12.9 M; -31.2%) due to the positive operating results, the impact of the foreign exchange difference resulting from the change in the functional currency of the financial statements from USD to COP, higher financial expenses related to the hedging of the foreign exchange exposure of the bond, and the net positive impact of the increase in current taxes and the decrease in deferred taxes.

Debt Profile

Table N°7 - Relevant debt items

USD '000	2023	1Q24	Var	Var %
Total net debt	765,147	679,437	-85,710	-11.2%
Total gross debt	904,921	849,902	-55,019	-6.1%
EBITDA LTM*	379,480	402,160	22,679	6.0%
LTM* Financial expenses	102.176	124,816	22,640	22.2%
Coverage ratios				
Total gross debt / EBITDA*.	2.4x	2.1x	-0.3x	
Total net debt / EBITDA*	2.0x	1.7x	-0.3x	
EBITDA* / Financial expenses	3.7x	3.2x	-0.5x	

Corresponds to EBITDA and financial expenses for the last twelve months (LTM). For 1Q24.

In 1Q24, a payment of COP 200,000 M was made to the credit under the "Club Deal" modality with local financial entities. In 4Q23, the credit contract was made to cancel the balance of the intercompany credit with GEB S.A. E.S.P., converting the debt from U.S. dollars to Colombian pesos. The terms and conditions are as follows:

Detail	Value
Modality:	Club Deal
Initial credit value:	COP 1,342,506.9 M
Present value of the loan:	COP 1,142,506.9 M
Date of disbursement:	19-Dec-2023
Expiration date:	19-Dec-2027
Deadline:	Four (4) years
Interest rate:	IBR 3M + 4.183%
Payment of capital:	At the expiration of the term
Structuring committee:	0.35%

Net leverage reached 1.7x and interest hedging was 3.2x at the end of 1Q24, levels lower than those recorded at the end of 2023 after the payment of the “Club Deal” loan with local financial institutions for COP 200,000 M during 1Q24 with own resources.

Table N° 8 - Debt profile	Amount USD M	Currency	Coupon (%)	Expiration
International Bonds	547.6	USD$ M	5.55%	1-Nov-28
Club Deal Financial Credit	297.4	COP$ M	IBR 3M + 4.183%	19-Dec-27
Leasing – Renting	4.0	COP$ M	DTF+2.90%	May-Sep-24
Financial Liabilities IFRS-16	0.9	COP$ M	N/A	N/A

During the quarter, the exchange rate hedging operation with derivative financial instruments carried out in 2Q23 was maintained, with the following conditions:

Bonus Nov-2028	
Financial instrument:	Swap CCS
Final date:	01-Nov-28
Exchange rate:	$4,182.33
COP notional value:	$2,290,449 M
Right leg rate:	Fixed + 5.55%
Obligation rate:	IBR + 3.6166%

As a result of the hedges and the refinancing of the balance of the intercompany loan in pesos, the financial liability rate changed from 5.4% in dollars to 16.8% in pesos.

Commercial Performance

Income by Sector

Table N°9 - Sectorial Composition Income	1Q23	1Q24
Residential - Distributor	66.6%	69.9%
Industrial	14.9%	14.2%
GNV	4.8%	4.0%
Commercial	5.3%	3.0%
Thermal	7.2%	7.3%
Refinery	1.3%	1.6%
Petrochemicals	0.0%	0.0%
Total	100,0%	100,0%

The residential and industrial sectors contributed 84.1% of accumulated income at the end of 1Q24. During the quarter, the refining sector was the fastest growing sector, going from USD 1.3 M in 1Q23 to USD 2.1 M in 1Q24 (USD 0.8 M; 62.4%), which increases its share by 0.3% vs. 1Q23, followed by the residential sector with an increase in income by USD 23.6 M (34.7%), from USD 68.0 M in 1Q23 to USD 91.7 M in 1Q24. As for the thermal sector, the increase in income during the quarter is USD 2.3 M (31.7%) going from USD 7.3 M in 1Q23 to USD 9.6 M in 1Q24, increasing its share by 0.1% vs. 1Q23 as a result of its higher energy generation due to "El Niño" phenomenon. On the other hand, the share of income from the commercial sector decreased 26.8% (USD -1.4 M) due to the increased participation of the residential, refining and thermal sectors.

Contractual Structure

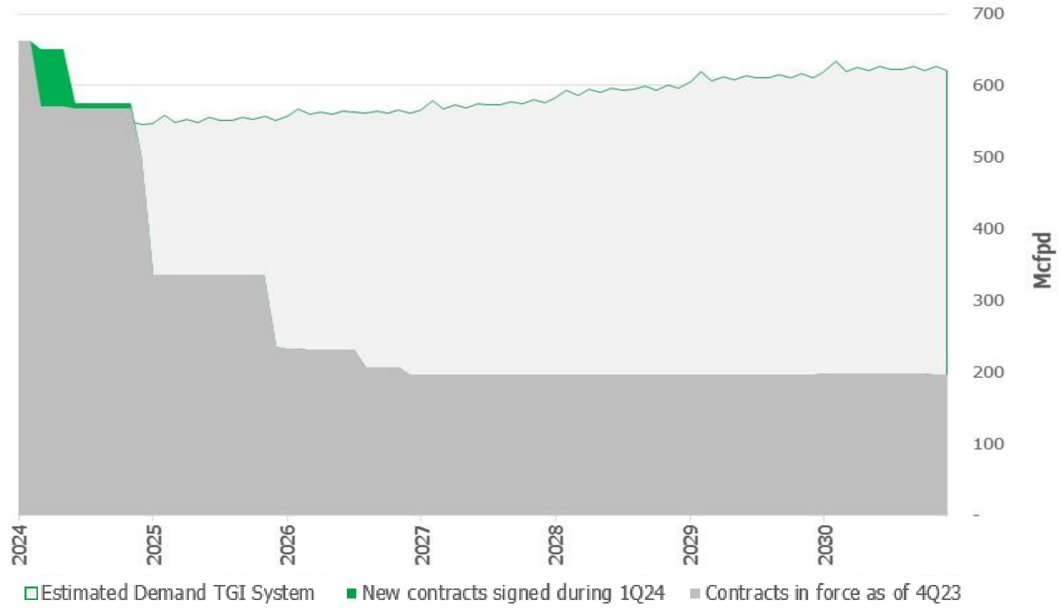
Table N°10- Structure of contracts in force

Description	1Q23	1Q24
No. Current Contracts	604	616
No. Contracts in Force	585	484
No. Interruptible Contracts	19	132
Remaining Life Firm Contracts (Average years)	3.9	3.3

There was an increase in the number of contracts in force for 1Q24 vs. 1Q23, despite the fact that previously, the regulatory provisions established that contracts with a variation in quantity should be signed on a monthly basis. However, CREG Resolution 185 of 2020 established that contracts should be signed on a quarterly basis and up to a horizon of ten (10) years.

As of March 2024, the company had contracted 77.5% of its available capacity from sources, with 21.4% of its current contracts in interruptible mode and 78.6% in firm mode, weighted on average at 94.0% fixed and 6.0% variable charges.

Graph N°1 - Remaining life of contracts



The usual commercial contracting cycle in the sector, under current regulatory parameters, is developed on a quarterly basis. The current dynamics show a short-term contractual cycle (maximum one year), explained by the low supply of long term gas supply contracts.

Operational Performance

Table N°11 - Selected operational indicators	1Q23	1Q24	Var %
Total capacity - Mpcd	849	856	0.8%
Firm contracted capacity - Mpcd*.	584	658	12.7%
Volume transported - Average Mpcd	469	473	0.9%
Usage factor	54.6%	55.3%	0.7 pp
Availability	99.7%	99.7%	0.0 pp
Pipeline length - Km	4,033	4,033	0.0%

*Measured by firm contracted capacity from production fields to exit points.

The total length of TGI's gas pipeline network remains at 4,033 Km, of which 3,883 Km are owned and operated by TGI; the remaining 150 Km, although under its control and supervision, are operated by a contractor, as established in the operation and maintenance contract. The system operates mainly with natural gas from the Cusiana, Cupiagua and Ballena / Chuchupa basins.

On the other hand, we can appreciate that the availability was 99.7%, the use factor increased 0.7% with respect to the same period of 2023, due to the increase in transportation by thermal generation.

Table N°12 - Volume per transporter (Mpcd)	1Q23	Part %	1Q24	Part %	Var %	Var Mpcd
TGI	468.9	55.0%	473.2	44.7%	0.9%	4.3
Promigas	327.8	38.4%	525.2	49.6%	60.2%	197.4
Other	56.1	6.6%	59.9	5.7%	6.8%	3.8
Total	852.7	100.0%	1,058.3	100.0%	24.1%	205.6

In 1Q24, TGI increased its transportation by 0.9% compared to 1Q23. However, in the same period, the participation of the average daily transported volume decreased by -10.3% due to the fact that Promigas received imported gas for the thermal sector from the SPEC regasification plant in its pipeline system. The total volume transported by TGI S.A. in the National Gas Transmission System reached 473.2 Mpcd, while Promigas transported 525.2 Mpcd (the two companies have 94.3%).

Table N°13 - Total transport capacity of TGI system	Capacity Mpcd
Ballena – Barrancabermeja	260
Mariquita – Gualanday	15
Gualanday – Neiva	11
Cusiana – Porvenir	470
Cusiana – Apiay	70
Apiay – Usme	18
Morichal – Yopal	12
Total	856

Capacity is quantified according to the sections with gas supply entry points.

Projects under execution

Project portfolio investments during 1Q24 correspond to USD 1.3 M, an increase of USD 0.5 M vs 1Q23, mainly due to the completion of the Guayuriba River Crossing and Segura Infrastructure Stage 2 projects in the first quarter of 2024.

Natural gas supply plan (IPAT) projects[1]

On January 31, 2024, the UPME issued External Circular No. 00009 of 2024, by which it published the Natural Gas Supply Plan 2023 – 2028 for comments from interested parties and the general public. With regard to IPAT projects, in this document UPME recommends the Ministry of Mines and Energy to "ratify" the IPAT projects adopted in the Natural Gas Supply Plan 2019 - 2028 of which TGI is the incumbent transporter, namely: 1. Transportation capacity expansion in

[1] IPAT: Investments in priority projects of the supply plan in a transportation system.

the Mariquita - Gualanday section, 2. Capacity expansion of the Ramal Jamundí line to Popayán, 3. Bidirectionality Yumbo - Mariquita and 4. Ballena - Barrancabermeja bidirectionality.

Infrastructure Mariquita Gualanday

- Estimated Project Capex: USD 6.0 M
- Transport Capacity: 20 Mpcd
- Approval of the modification of the environmental license by the ANLA.
- Maturing of budget and technical specifications, purchasing processes compression units and Epecista
- Evidence order according to file 2022-0031
- TGI provides additional information expert evidence and the CREG issued a detailed report
- Holding of contradictions hearing and CREG's request to the expert to pronounce on TGI's observations.
- TGI's request to the CREG to recalculate and update the discount rate of the natural gas transportation activity for the current fiscal year.
- TGI S.A. E.S.P. is notified of the resolution that formalizes the annual income flows to remunerate the investment and expenses of AOM.
- TGI S.A. E.S.P. files an appeal for reconsideration, waiting for a response in 4Q23.
- CREG issues indicative regulatory agenda for the year 2024, proposing to resolve the appeal for reconsideration filed by TGI.
- UPME publishes for comments the draft of the Natural Gas Supply Plan 2023-2028 in which it recommends to the Ministry of Mines and Energy to ratify the execution of the project.

Infrastructure Ramal Jamundi

- Estimated Project Capex: USD 6.0 M
- Transport Capacity: 3 Mpcd
- Maturing of budget and technical specifications, purchasing processes compression units and Epecista
- Approval of the modification of the environmental license by the ANLA.
- TGI provides additional information expert evidence and the CREG issued a detailed report
- Holding of contradictions hearing and CREG's request to the expert to pronounce on TGI's observations.
- TGI's request to the CREG to recalculate and update the discount rate of the natural gas transportation activity for the current fiscal year.
- TGI S.A. E.S.P. is notified of the resolution that formalizes the annual income flows to remunerate the investment and expenses of AOM.
- TGI S.A. E.S.P. files an appeal for reconsideration, waiting for a response in 4Q23.
- CREG issues indicative regulatory agenda for the year 2024, proposing to resolve the appeal for reconsideration filed by TGI.
- UPME publishes for comments the draft of the Natural Gas Supply Plan 2023-2028 in which it recommends to the Ministry of Mines and Energy to ratify the execution of the project.

Bidirectionality Yumbo Mariquita

- Estimated Project Capex: USD 105.0 M
- Transport Capacity: 250 Mpcd
- TGI provides additional information expert evidence and the CREG issued a detailed report
- Holding of contradictions hearing and CREG's request to the expert to pronounce on TGI's observations.
- TGI's request to the CREG to recalculate and update the discount rate of the natural gas transportation activity for the current fiscal year.
- Subject to the viability of the import infrastructure project, Regasificadora del Pacífico, which was declared deserted.

Bidirectionality Ballena Barrancabermeja

- Estimated Project Capex: USD 5.0 M
- Transport Capacity: 100 Mpcd
- TGI provides additional information expert evidence and the CREG issued a detailed report
- Holding of contradictions hearing and CREG's request to the expert to pronounce on TGI's observations.
- TGI's request to the CREG to recalculate and update the discount rate of the natural gas transportation activity for the current fiscal year.
- TGI S.A. E.S.P. is notified of the resolution that formalizes the annual income flows to remunerate the investment and expenses of AOM.
- TGI S.A. E.S.P. files an appeal for reconsideration, waiting for a response in 4Q23.

- CREG issues indicative regulatory agenda for the year 2024, proposing to resolve the appeal for reconsideration filed by TGI.
- UPME publishes for comments the draft of the Natural Gas Supply Plan 2023-2028 in which it recommends to the Ministry of Mines and Energy to ratify the execution of the project.

- CREG issues indicative regulatory agenda for the year 2024, proposing to resolve the appeal for reconsideration filed by TGI.
- UPME publishes for comments the draft of the Natural Gas Supply Plan 2023-2028 in which it recommends to the Ministry of Mines and Energy to ratify the execution of the project.

Regulatory Update

Table N°14 - Regulatory Update

Entity	Resolution	Scope	State	
CREG	CREG Resolution No. 102 006 of 2024	Whereby transitory additions are made to the commercial aspects of the supply of the wholesale natural gas market established in Resolution CREG 186 of 2020.	Published	View More
UPME	External Circular 009 of 2024	Draft Document Natural Gas Supply Plan 2023 - 2038	In consultation	View More

Annex 1. Financial Statements

Table N°15 - Income Statement	USD 000' 1Q23	1Q24	Variation USD	%
Income	103,984	134,785	30,801	29.6%
Operating Cost	-34,688	-45,068	-10,380	29.9%
Gross income	69,296	89,717	20,421	29.5%
Gross Margin	*66.6%*	*66.6%*		
Administrative and operating expenses (net)	-6,258	-11,612	-5,354	85.5%
Personal services	-2,546	-2,911	-366	14.4%
Overhead	-3,227	-3,180	47	-1.5%
Taxes	-430	-855	-425	98.8%
Depreciation, amortization and provisions	-1,955	-6,104	-4,149	212.3%
Other expenses	0	0	0	0.0%
Other income	1,899	1,437	-462	-24.3%
Operating income	63,038	78,105	15,067	23.9%
Operating Margin	*60.6%*	*57.9%*		
Financial costs	-16,315	-38,954	-22,640	138.8%
Financial income	4,893	4,968	75	1.5%
Net exchange difference	6,884	-157	-7,041	-102.3%
Equity - Results of associates	-1,094	-604	490	-44.8%
Income before income tax	57,405	43,357	-14,048	-24.5%
Income tax	-17,815	-23,180	-5,365	30.1%
Deferred tax	1,718	8,230	6,512	379.0%
Net income	41,308	28,408	-12,900	-31.2%
Net Margin	*39,7%*	*21,1%*		

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Table N°16 - Balance Sheet	USD '000		Variation	
	Dec-23	Mar-24	USD	%
Assets				
Current Assets				
Cash and cash equivalents	139,774	170,465	30,691	22.0%
Accounts receivable from customers and other accounts receivable	61,987	60,288	-1,700	-2.7%
Inventories	25,424	25,578	154	0.6%
Other non-financial assets	12,880	10,711	-2,169	-16.8%
Total Current Assets	240,065	267,041	26,977	11.2%
Non-Current Assets				
Property, plant and equipment	2,266,508	2,235,363	-31,146	-1.4%
Right-of-use assets	1,967	859	-1,108	-56.3%
Investments in associates and subordinated companies	11,075	10,470	-604	-5.5%
Trade and other receivables	9,063	8,216	-847	-9.3%
Intangible assets	178,662	176,106	-2,557	-1.4%
Other financial / non-financial assets	0	0	0	0.0%
Total Non-Current Assets	2,467,275	2,431,014	-36,261	-1.5%
Total Assets	2,707,340	2,698,055	-9,285	-0.3%
Liabilities				
Current Liabilities				
Accounts payable to suppliers and other accounts payable	16,909	10,572	-6,338	-37.5%
Tax liabilities	3,973	12,982	9,010	226.8%
Employee benefits	4,411	5,233	822	18.6%
Provisions	22,739	14,696	-8,043	-35.4%
Lease liabilities	4,144	3,956	-188	-4.5%
Other financial liabilities	10,555	17,922	7,367	69.8%
Accounts payable to related parties	2,260	102,322	100,062	4,427.2%
Total Current Liabilities	64,992	167,684	102,692	158.0%
Non-Current Liabilities				
Financial liabilities	351,425	296,713	-54,713	-15.6%
Provisions	105,675	106,095	419	0.4%
Deferred tax liabilities	516,702	495,537	-21,165	-4.1%
Liabilities for financial instruments	51,057	92,699	41,642	81.6%
Bonds issued	552,389	552,897	508	0.1%
Other liabilities	14,103	14,028	-74	-0.5%
Total Non-Current Liabilities	1,591,352	1,557,968	-33,384	-2.1%
Total Liabilities	1,656,344	1,725,652	69,308	4.2%
Assets				
Capital stock	703,868	703,868	0	0.0%
Additional paid-in capital	56,043	56,043	0	0.0%
Reserves	232,992	288,708	55,716	23.9%
Result for the period	155,393	28,408	-126,985	-81.7%
Cumulative results	-92,590	-92,590	0	0.0%
Other comprehensive income items	-4,709	-12,033	-7,324	155.5%
Total Assets	1,050,996	972,403	-78,593	-7.5%
Total Liabilities and Shareholders' Equity	2,707,340	2,698,055	-9,285	-0.3%

Table N°17 - Statement of Cash Flows	USD '000 Mar-23	Mar-24
Cash Flows from Operating Activities		
Net income	41.308	28.408
Adjustment due to:		
Depreciation and amortization	23.721	27.293
Unrealized exchange difference	-6.884	157
Employee benefits	-106	-199
Amortized cost (loans, deposits)	0	0
Amortized cost of call option BOMT	0	0
Amortized cost of financial obligations	309	396
Valuation of hedging transactions	0	0
Valuation of decommissioning obligation	2.307	797
Deferred tax	-1.718	-8.230
Income tax	17.815	23.180
Financial costs	13.699	37.828
Financial income	-3.472	-4.732
Valuation of equity method	1.094	604
Loss, property, plant and equipment	0	0
Impairment of inventories	6	1
Impairment accounts receivable	0	3.656
Provisions (Recoveries)	-1.484	-1.250
Net changes in assets and liabilities of the operation		
(Increase) Decrease in accounts receivable from customers and other accounts receivable	-6.933	2.661
(Increase) Decrease in inventories	108	-289
(Increase) Decrease in other non-financial assets	3.593	2.101
(Increase) Decrease in other financial assets	-4	0
(Increase) Decrease in trade and other accounts payable and other accounts payable	-1.087	15.843
(Increase) Decrease in other labor obligations	-337	-1.048
(Increase) Decrease in other financial liabilities	1.583	-22.748
(Increase) Decrease in estimated liabilities and provisions	-1.182	-6.463
(Increase) Decrease in tax liabilities	-3.450	-14.389
Payment of interest	-81	-21.734
Pago de intereses	0	0
Interest payment hedging	0	0
Taxes Paid	-5.398	0
Net cash flow provided by operating activities	73.407	63.939
Cash Flows from Investing Activities		
Property, plant and equipment	-5.798	-5.132
Intangibles	-35	-18
Net cash provided by investing activities	-5.833	-5.150
Cash Flows from Financing Activities		
Dividend payments	0	0
Payment of financial obligations	-15.106	-51.701
Payment of related financial obligations	0	0
Financial obligations acquired	0	0
Net cash flows used in financing activities	-15,106	-51.701
Effect of exchange rate changes on cash and cash equivalents	4.591	23.603
Net Change in Cash and Cash Equivalents	57.059	30.691
Cash and Cash Equivalents at the Beginning of the Year	95.210	139.774
Cash and Cash Equivalents at End of Period	152.269	170.465

Annex 2. Legal note and clarifications

This document contains words such as “anticipate”, “believe”, “expect”, “estimate”, and others of similar meaning. Any information other than historical information, including but not limited to information regarding the Company's financial position, business strategy, plans and objectives of management, is forward-looking information.

The projections in this report were made under assumptions related to the economic, competitive, regulatory and operational environment of the business, and took into account risks beyond the Company's control. Projections are uncertain and can be expected not to materialize. Unexpected events or circumstances may also be expected to occur. For the reasons stated above, actual results could differ significantly from the projections contained herein. Consequently, the projections in this report should not be considered as a certainty. Potential investors should not consider the projections and estimates contained herein or rely on them in making investment decisions.

The Company expressly disclaims any obligation or commitment to distribute updates or revisions to any projections contained herein.

The Company's past performance cannot be taken as a guide for the Company's future performance.

Annex 3. Terms and definitions

- ANLA: Spanish for National Environmental Licensing Authority.
- ASME: American Society of Mechanical Engineers.
- BEO (Spanish for Electronic Bulletin of Operations): A freely accessible web page that displays commercial and operational information related to a transporter's services, including regulated charges, those agreed between market agents, the nomination cycle, the transportation program, capacity release and gas supply offers, energy balance accounts and other information established by the RUT.
- Contract with interruptions or interruptible: A written contract in which the parties agree not to assume a commitment of continuity in the delivery, receipt or use of available capacity in the supply or transportation of natural gas during a determined period. The service may be interrupted by either party, at any time and under any circumstances, giving prior notice to the other party.
- Firm or firmness-guaranteed contract: written contract in which an agent guarantees the service of supplying a maximum amount of natural gas and/or maximum transportation capacity, without interruptions, during a determined period, except on days established for maintenance and scheduled work. This type of contract requires physical backup.
- CREG: Spanish for Energy and Gas Regulatory Commission of Colombia.
- GBTUD: Giga British Thermal Unit per-Day.
- TBTU: Thousands of British Thermal Units.
- M: millions
- MME: Ministry of Mines and Energy.
- Mpcd: Spanish for Millions of cubic feet per day.
- Average - Mpcd: This is the average volume transported per day in the study quarter.
- pp: percentage points
- SSPD: Spanish for Superintendence of Domiciliary Public Utilities
- UPME: Spanish for Mining-Energy Planning Unit.