TGI
GrupoEnergíaBogotá

Results Report
4Q 2019

4Q

3 MONTHS
2018 - 2019

Operating revenue **(+5,8%)**
USD$111,0 million **USD$117,3 million**

EBITDA **(+8,0%)**
USD$77,3 million **USD$83,5 million**

Net Income **(-74,3%)**
USD$63,2 million **USD$16,2 million**

*4Q 2018: October 1 to December 31 2018
*4Q 2018: October 1 to December 31 2019

ir@geb.com.co
www.grupoenergiabogota.com/en/investors

Financial Performance

- October 7: ratification of the corporate and bond rating by Fitch Ratings on BBB, stable.
- December 13: ratification of the corporate rating by S&P at BBB-, stable.
- + 5,8% in revenue in 4Q 2019 vs. 4Q 2018.
- EBITDA margin in 4Q 2019 grew 1,5 pp to 71,1%.
- 2nd dividend payment of USD$39,8 mm.
- Capitalization of Contugas for USD$21,7 mm and recognition of loss by participation method for USD$17,9 mm.

Strategic Performance

- TGI Forum with the participation of important representatives of the sector addressing issues on the future of gas in South America, perspectives of gas in Colombia and its potential in the Colombian market.
- During 4Q 2019, + 3,9 Mscfd (incremental) for industry cases (self-generation) and + 4,5 Mscfd (incremental) for CGV (dedicated fleets and conversions) were registered.

Operational Performance

- Cusiana Phase IV: Loop Puerto Romero – Vasconia (46 Mscfd). Start of operations: December 21.
- Replacement of branches: entry into operation of the Yarigüíes - Puerto Wilches branch on November 30 and of the Pompeya branch on December 12.

Regulatory Developments

- Expert's contradiction hearing for valuation of assets that have completed their regulatory useful life - VUN in Spanish (December 20).
- Circular 100 of 2019: publication of study for modification of WACC calculation (November 15).
- CREG Resolution 146 of 2019: transitional provision for start of execution of transportation contracts.
- CREG Circular 128 of 2019: definition of regulatory agenda:
  - Natural Gas transportation remuneration methodology (consultation: 1Q 2020; final: 2Q 2020)
  - Review of integration rules (consultation: 1Q 2020; final: 4Q 2020)

Main operational and financial data

Table 1 - Relevant financial indicators

	4Q 2018	4Q 2019	Variation
Revenue (USD$ thousand)	110.989	117.380	5,8%
Operating income (USD$ thousand)	56.130	63.035	12,3%
EBITDA (USD$ thousand)	77.295	83.502	8,0%
EBITDA Margin	69,6%	71,1%	1,5 pp
Net income (USD$ thousand)	63.159	16.235	-74,3%
Gross Total Debt / EBITDA*	3,6x	3,1x	-0,4x
EBITDA* / Financial Expenses*	3,8x	5,2x	1,4x
International credit rating:			
S&P – Corporate Rating – Dec. 13 | 19:	**BBB-, stable**		
Fitch – Corporate Rating – Oct. 7 | 19:	**BBB, stable**		
Moody's – Bond Qualification – Jul. 16 | 19:	**Baa3, stable**		

*Corresponds to EBITDA and financial expenses in the last twelve months (LTM).

Table 2 - Relevant operational indicators

	4Q 2018	4Q 2019	Variation
Transported Volume - Average Mscfd	459,6	483,6	5,2%
Firm contracted capacity – Mscfd	713,0	712,0	-0,1%

Natural gas market in Colombia

Table 3 - Natural gas demand

Sectors	Colombia			Inland		
Demand (GBTUD)	4Q 2018	4Q 2019	Variation	4Q 2018	4Q 2019	Variation
Thermal	206,5	234,7	13,7%	4,6	2,0	-56,6%
Residential - commercial	193,6	197,2	1,9%	155,3	158,6	2,2%
Industrial - refinery	447,6	454,2	1,5%	284,0	304,7	7,3%
Vehicular – CNG	59,9	55,2	-7,8%	46,7	42,4	-9,2%
Petrochemical	17,4	17,2	-1,2%	0,5	0,5	0,4%
Other Consumptions	48,9	47,6	-2,5%	44,5	43,7	-1,9%
Total	**973,8**	**1006,2**	**3,3%**	**535,5**	**551,8**	**3,0%**

- At a national level, demand increased by 3,3%, from 4Q 2018 to 4Q 2019, equal to 32,4 GBTUD (Giga British Thermal Unit per-Day), mainly explained by higher consumption in the thermal sector (13,7% equal to 28,2 GBTUD), in the residential-commercial sector (1,9% equal to 3,7 GBUTD) and in the industrial-refinery sector (1,5% equivalent to 6,6 GBTUD). On the other hand, the vehicle sector - CNG presented a reduction of 7,8% equivalent to 4,7 GBTUD.
- The industrial-refinery sector continues to be the most representative sector in Colombia in terms of national demand, with 46,0% of total natural gas demand.

- Between 4Q 2018 and 4Q 2019, there was a 3,0% increase in demand for natural gas in the inland, equal to 16,3 GBTUD, highlighting the performance of the industrial-refinery sector, which grew 20,7 GBTUD (7,3%) and commercial residential which increased 3,4 GBTUD (2,2%).
- In the inland, the most representative sector is the industrial-refinery sector, with 55,2% of the total demand.

Financial Statement

This report presents the corresponding variations under the International Financial Reporting Standards (IFRS) of the comparative financial statements for 4Q 2018 y del 4Q 2019 (3 months).

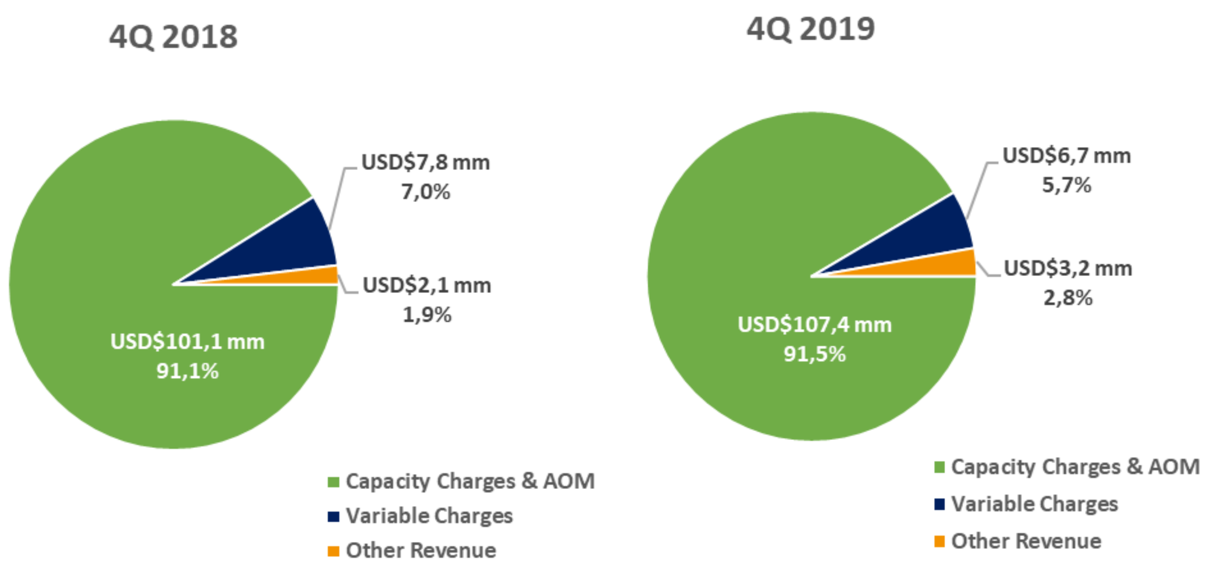
Revenue

Total revenue in 4Q 2019 was US$117,4 million, an increase of 5,8% compared to the same period in 2018. In annual terms, the revenue in 2019 was USD$468,8 mm, an increase of 6,1% over 2018. Revenue performance in 4Q 2019 is mainly due to:

- Revenues corresponding to fixed capacity charges and net AO&M (91,5% of total revenues) increased 6,2% between 4Q 2018 (USD$101,1 million) and 4Q 2019 (USD$107,4 million), which is explained by the following factors:
  - Higher invoicing from fixed investment charges (gross) with an increase corresponding to 7,3% as a result of annual rate indexation and higher turnover from short-term contracts and detour in additional tranches to those initially contracted by customers, especially in the Distribution and Commercialization sectors. Meanwhile, maintenance suspensions had a reduction during 4Q 2019, generating a net effect on revenues of 7,9% from fixed investment charges.
  - Although fixed charges for AO&M (net) expressed in COP had a growth equal to 8,6% (net of suspensions), when they are converted to USD the increase with respect to 4Q 2018 is 3,0%, due to a higher average foreign exchange rate (COP/USD) during 4Q 2019 compared to the same period in 2018. In this sense, revenues from fixed charges for AO&M (net) increased from USD$34,4 million in 4Q 2018 to USD$35,4 million in 4Q 2019.
- Variable charges decreased 14,0% between 4Q 2018 (USD$7,8 million) and 4Q 2019 (USD$6,7 million) due to a greater use of the fixed portion than of the variable portion of the contracts held by dispatchers. These charges represented 5,7% of TGI's total revenue in 4Q 2019.
- The remaining 2,8% corresponds to non-regulated operating revenues, classified as complementary services, which grew 56,7%, from USD$2,1 mm in 4Q 2018 to USD$3,2 mm in 4Q 2019.

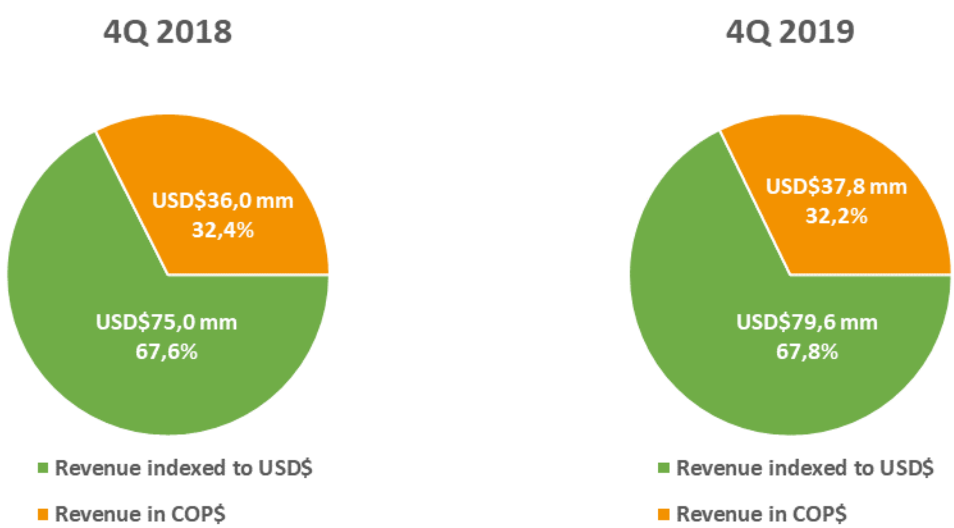
At an annualized level, the increase in total revenues was mainly due to the change in the charge pair of a specific contract to 100% fixed, as well as higher average volumes transported, with an annual average of 477,7 Mscfd in 2019 vs. 446,2 Mscfd in 2018. Additionally, suspensions for maintenance and force majeure were also reduced during 2019.

Graph 1 – Operating revenue by type of charges



Regarding revenue by currency, USD$79,6 million (67,8%) come from sales expressed in USD and the remaining USD$37,8 million (32,2%) come from sales expressed in COP. Revenues expressed in USD grew 6,1% during 4Q 2019 compared to the same period of the previous year, as a result of annual rate indexing, additional tranche detours and fewer suspensions. The COP-denominated portion increased 5,1%.

Graph 2 – Operating revenue by currency



Operating costs

Operating costs increased by 9,2% between 4Q 2018 and 4Q 2019, reaching USD$46,6 million, mainly as a result of variations in the following items:

- Acknowledgement of a provision for USD$2,3 mm for entry of gas in excess of the nominated amount, which generates a commitment by TGI with the dispatcher (client).
- Increase of USD$2 mm from purchase of equipment required in maintenance operations for compressors.
- Depreciation and amortization (+4,9%): increase of approximately USD$800 thousand as a result of the application of IFRS 16, which became effective as of January 1, 2019, where the La Sabana Gas Pipeline contract is mainly recognized.
- Also, as a result of the application of IFRS 16, leasing costs decreased by nearly USD$960 thousand.

On the other hand, during the entire year 2019, operating costs had an increase of 2,5% to USD$169 million that responds to an increase in fuel gas, maintenance dynamics, increase in depreciation and amortization costs due to activations, which were partly compensated by lower study costs, when compared to 2018, mainly coming from the Armenia loop.

As a result of the performance of revenues and cost of operations, gross profit for 4Q 2019 was US$70,8 million, an increase of 3,6% compared to the same period of the previous year. Gross margin in 4Q 2019 was 60,3% vs. 61,6% in 4Q 2018. Nonetheless, when analyzing the annual performance, TGI's gross profit increased by 8,3% during 2019, reaching USD$299,8 mm (+ USD$22,9 mm) and a gross margin of 64,0% (+ 1,3 pp).

Administrative and operating expenses

Administrative and operating expenses (net of other income) decreased 36,2% in 4Q 2019 compared to 4Q 2018, from USD$12,2 million to USD$7,8 million, mainly due to:

- Other expenses: decrease of 41,9% as a result of lower expenses (USD$1,6 million) in contract for environmental, social and archaeological studies and management with communities whose execution ended in February 2019; lower fees (USD$800 thousand) in legal services and support services for the maturation of the company's project portfolio and initiatives; and, finally, lower fees that were incurred during the Debt Management Operation in November 2018 (USD$1,6 million).
- Other revenue: increased by USD$2,0 million from USD$180 thousand in 4Q 2018 to USD$2,2 million in 4Q 2019, taking into account that during 4Q 2019 there were recoveries from insurance companies due to incidents in the operation (USD$450 thousand), recovery of provisions for USD$700 thousand and acknowledgement of judgement to return ICA in favor of TGI for USD$1,2 million.

Regarding annual administrative and operating expenses, an increase of 10,4% to USD$30,4 million is reflected, which mainly corresponds to higher bad debt allowance, and a decrease in other income (incident recoveries), which are offset in a high proportion by the decrease in other expenses, mostly related to professional fees in legal accompaniment services, as well as those related to the Debt Management Operation carried out in November 2018.

Operating income

The moderate performance at the gross profit level in 4Q 2019 was offset by the significant reduction in administrative and operating expenses, so that operating income for the period amounted to USD$63,0million, showing a growth of 12,3% over the same period in 2018 and an operating margin of 53,7% (+ 3,1 pp).

On the annual operating income level, there is an increase of 8,0% to USD$269,4 million, and an operating margin equal to 57,5% (+ 1,1 pp), when compared to 2018. This profitability reflects an improvement in the company's operational and administrative performance during 2019 that is consistent with TGI's maintenance plans, increase in revenues, mainly due to the change in the pair of a specific transportation contract to 100% fixed charges, and an adequate management of costs and operating expenses.

Non-operating results (net)

The non-operating result (net) showed a decrease of 11,0%, positively impacting the company's results, going from USD$41,8 million to USD$37,2 million from 4Q 2018 to 4Q 2019, respectively, responding mainly to the following variations:

- Decrease in financial costs (- 49,8%) due to the cancellation of the syndicated loan in August 2019, as well as the debt management operation carried out in November 1, 2018, which allowed for a reduction in the interest rate from 5,7% to 5,55%. Likewise, 4Q 2019 does not fully include the amortization of transaction costs incurred during the same operation.
- Foreign exchange difference expense (from an income of USD$4,1 mm in 4Q 2018 to an expense of USD$4,2 mm in 4Q 2019) as a result of a 5,34% devaluation of the COP against the USD during 4Q 2019. Additionally, the difference was also affected by a lower passive position of the company, as a result of the payment in November of the special contribution of public services for USD$1,2 million, as well as by the decrease in the Asset Retirement Obligation – ARO – (- USD$5 million) generated by the updating of the company's WACC.
- Regarding the participation in the results of affiliates, a higher loss is reported, increasing from USD$14,2 million to USD$17,9 million from 4Q 2018 to 4Q 2019, responding to the net variation from losses in Contugas.

In annual terms, non-operating expenses (net) in 2019 were reduced by 13,5% from USD$96,7 million in 2018 to USD$83,7 million in 2019. This behavior was mainly explained by the reduction in financial costs and the reasons explained above. In addition, there is a higher loss due to the equity method.

Taxes

As for income tax, it went from a positive balance of US$15,4 million to an expense of US$8,3 million, when comparing 4Q 2018 to 4Q 2019. Deferred taxes went from a credit balance of US$33,4 million in 4Q 2018 to an expense of US$1,3 million in 4Q 2019. Both variations, the one corresponding to income tax and the one corresponding to deferred tax, are the result of the difference in realized foreign exchange rates as part of the bond redemption in the debt management operation of November 2018, which was taken as deductible for that year. Since this effect did not occur in 2019, current and deferred income tax are applied on a lower tax-deductible basis.

Net Income

Favorable results at the operating and non-operating levels boosted pre-tax income for 4Q 2019 by 80,2%, reaching USD$25,8 million, and 21,7% for the year, totaling USD$185,7 million. However, we highlight the significant positive effect that the exchange rate had, as a result of the Debt Management Operation, on income tax and deferred tax, which contributed significantly to 2018 earnings and net margins, both for 4Q and for the full year. Since this non-recurring effect was not present during 2019, a reduction in this year's profits and net margins is evidenced.

EBITDA

EBITDA performance reflects the profitability and sustainability of TGI's operational activity and business development, closing 4Q 2019 at USD$83,5 million, a growth of 8,0% compared to 4Q 2018 and with a margin of 71,1%.

Table 4 – EBITDA

	4Q 2018	4Q 2019	Variation
EBITDA (USD$ thousand)	77.295	83.502	8,0%
EBITDA Margin	69,6%	71,1%	1,5 pp

For the full year 2019, EBITDA recorded an increase over 2018 equal to USD$31,4 million (+ 9,6%) reaching USD$360,4 million. This increase is consistent with the higher revenues recorded during the year, as well as lower operating cost growth.

Likewise, EBITDA historical levels provide flexibility to the Company and a growth capacity in terms of projects, by maintaining the Gross Total Debt/EBITDA, and EBITDA/Financial Expenses indicators within the proper credit metrics.

Debt profile

Table 5 – Relevant debt items

	USD$ Thousands			
	Dec-18	Dec-19	Variation USD$	Variation
Total Net Debt	1.118.858	1.056.116	-62.742	-5,6%
Gross Senior Debt	795.674	761.210	-34.464	-4,3%
Total Gross Debt	1.165.674	1.134.330	-31.344	-2,7%
EBITDA LTM*	328.979	360.423	31.444	9,6%
Financial Expenses LTM*	87.010	69.951	-17.060	-19,6%

*Corresponds to EBITDA and financial expenses in the last twelve months (LTM)

Table 6 – Debt ratios

	Dec-18	Dec-19
Gross Total Debt / EBITDA*	3,6x	3,1x
EBITDA* / Financial Expenses*	3,8x	5,2x

Regarding debt items, financial expenses during 2019 show a decrease equivalent to 19,6%, when compared to that recorded in the previous period, mainly due to the reduction in interest rates (5,70% to 5,55%) achieved from the Debt Management Operation that was carried on TGI's 2022-bonds in November 2018; the absence in 2019 of the transaction costs and commissions of this operation; and the payment in August 2019 of the syndicated loan for USD$40 million.

Table 7 – Debt profile

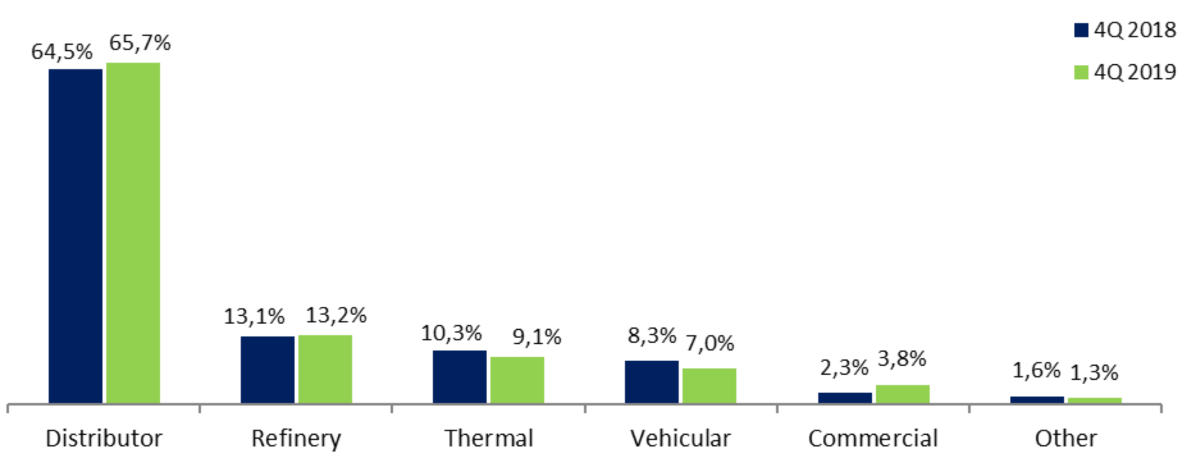
Debt structure	Amount	Currency	Coupon (%)	Maturity
Senior - International bonds	750	USD$ mm	5,55%	1-Nov-28
Inter-company - Subordinated	370	USD$ mm	6,13%	21-Dec-22
Leasing – Renting	9	USD$ mm	N/A	Long-term
Financial Liability IFRS 16	6	USD$ mm	8,64%	N/A

On July 16, Moody's Investor Services, ratified the 2028 bond rating at Baa3 by issuing a Baa3 rating with a stable outlook, highlighting the positive performance in revenue generation and low volatility in volumes transported, as a result of stable demand. Also, on October 7, Fitch Ratings conducted its annual review by issuing a corporate and bond rating at BBB with a stable outlook; and on December 13, S&P reaffirmed the corporate rating at BBB-, stable.

Commercial Performance

Sales by sector

Graph 3 - Revenue sectorial composition



The main sectors served by TGI have stable consumption without seasonality, represented in 4Q 2019 by 90,3% of firm contracts and 9,7% of interruptible contracts; likewise, firm contracts are on average under a pair of 91,0% fixed charges and 9,0% variable charges, approximately. The most representative sectors contributed 92% of 4Q 2019 revenues and remained as such throughout 2019.

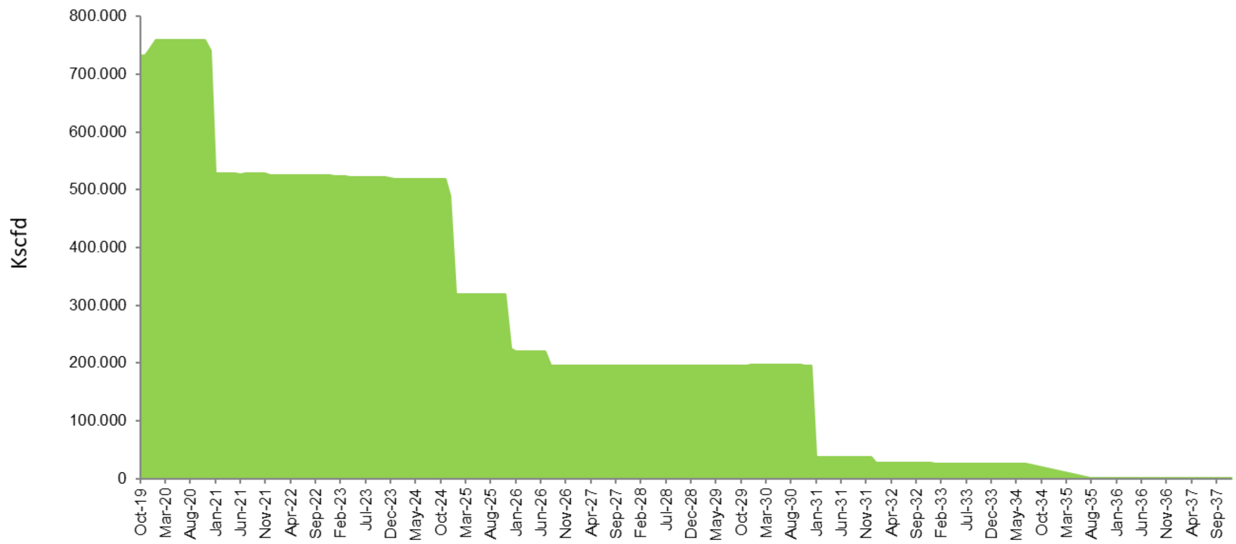
Contractual structure

Table 8 – Firm contracts structure

Period	Nr. of Current Contracts	Nr. of Firm Current Contracts	Nr. of Interruptible Current Contracts	Residual Lifespan of Firm Contracts (average years)
4Q 2018	1.098	1.068	30	7,3
4Q 2019	1.022	923	99	6,9

Between 4Q 2018 and 4Q 2019, there was a variation from 1.098 current contracts to 1.022. Likewise, at the end of the period analyzed, the Company has contracted 89,9% of its available capacity.

Graph Nº 4 - Residual Contractual Lifespan



As of 4Q 2019, firm contracted capacity decreased 0,1% compared to the same period of 2018, reporting 712,0 Mscfd.

Operational Performance

Table 9 - Selected operational indicators

	4Q 2018	4Q 2019	Variation
Total capacity - Mscfd	791,8	791,8	0,0%
Transported volume - Average Mscfd	459,6	483,6	5,2%
Use factor	51,9%	53,9%	2,0 pp
Availability	99,4%	100,0%	0,6 pp
Gas pipeline length - Km	3.994	3.994	0,0%

The total length of the TGI pipeline system is approximately 3.994 Km, of which 3.844 km are the property of and operated by TGI; the remaining 150 Km, even though are under the control and supervision of TGI, are operated by the contractor, in accordance with the operation and maintenance agreement. The system receives natural gas mainly from the Ballena / Chuchupa and Cusiana / Cupiagua basins.

Table 10 - Volume by transporter - Mscfd

	4Q 2018	Participation	4Q 2019	Participation	Variation	Mscfd
TGI	459,6	53,2%	483,6	53,0%	5,2%	-24,0
Promigas	358,2	41,5%	371,9	40,7%	3,8%	-13,7
Others	45,3	5,2%	57,4	6,3%	26,7%	-12,1
Total	**863,1**	**100,0%**	**912,9**	**100,0%**	**5,8%**	**-49,8**

Of the total volume transported in the national pipeline network, TGI continues to be the main player with 483,6 Mscfd, while the second is Promigas with 371,9 Mscfd (the two companies have 93,7%), which corresponds to the transportation of 855,5 Mscfd.

Table 11 - Total transportation capacity of TGI's system - 4Q 2019

By section - Mscfd	Transportation Capacity
Ballena – Barrancabermeja	260,0
Mariquita – Gualanday	15,0
Gualanday - Neiva	11,0
Cusiana – Porvenir	412,0
Cusiana – Apiay	64,2
Apiay – Usme	17,8
Morichal – Yopal	11,8
Total	**791,8**

Projects in execution

Cusiana Phase IV

The purpose of this project is to increase the natural gas transportation capacity by 58,0 Mscfd between Cusiana and Vasconia, with the construction of 38,5 Km of 30" diameter loops.

- Expansion of the Gas Compression Station of Puente Guillermo.
- Modifications to the Gas Compression Stations of Miraflores and Vasconia.

Details of the execution:

- Total project investment – USD$92,3 million
- Total CAPEX executed to date – USD$57,3 million
- Total CAPEX executed 4Q 2019 – USD$9,5 million
- Physical Work Progress – 80,5%
- Estimated Start of Operations:
  - Puente Guillermo Station: 17 Mscfd – 2Q 2018
  - Loop Puerto Romero – Vasconia: 46 Mscfd – 1Q 2020
  - Loops Puente Guillermo – La Belleza and El Porvenir – Miraflores: 12 Mscfd - 3Q 2020

Replacement of Branches

Replacement of 5 branches due to reach of their regulatory useful lifespan in accordance with resolution CREG 126 of 2016. Replacement of the following branches of Southern Bolivar, which represent 16 Km of pipelines (2" diameter) and 12 Km of pipeline (4" diameter):

- Branch Yarigüíes - Puerto Wilches
- Branch Pompeya
- Branch Z. Industrial Cantagallo – Cantagallo
- Branch Cantagallo – San Pablo
- Branch Galán – Casabe – Yondó

Details of the execution:

- Total project investment – USD$11,6 million
- Total CAPEX executed to date – USD$7,6 million
- Total CAPEX executed 4Q 2019 – USD$1,8 million
- Physical Work Progress– 73,1%
- Estimated Start of Operations:
  - Yarigüíes – Puerto Wilches Branch: 4Q 2019
  - Branch Pompeya: 4Q 2019
  - Z. Industrial Cantagallo – Cantagallo: 1Q 2020
  - Branch Cantagallo – San Pablo: 1Q 2020
  - Branch Galán – Casabe – Yondó: 1Q 2020

Appendix

Appendix 1. Financial Statements

Table 12 - Income Statement

	USD$ in thousand		Variation		USD$ in thousand		Variation	
	2018	2019	USD$ Var	%	4Q 2018	4Q 2019	USD$ Var	%
Revenue	**441.730**	**468.820**	**27.090**	**6,1%**	**110.989**	**117.380**	**6.391**	**5,8%**
Operating costs	-164.819	-169.005	4.186	2,5%	-42.639	-46.549	3.910	9,2%
Gross income	**276.911**	**299.815**	**22.904**	**8,3%**	**68.350**	**70.831**	**2.481**	**3,6%**
Gross Margin	62,7%	64,0%			61,6%	60,3%		
Administrative and operating expenses	**-27.578**	**-30.443**	**2.866**	**10,4%**	**-12.220**	**-7.796**	**-4.424**	**-36,2%**
Personnel expenses	-7.799	-8.576	777	10,0%	-1.961	-2.297	336	17,1%
Taxes	-3.646	-3.762	116	3,2%	-1.637	-1.731	94	5,8%
Depreciation, amortization and provisions	-3.928	-9.052	5.124	130,5%	-406	-1.067	660	162,6%
Other expenses	-18.110	-13.992	-4.118	-22,7%	-8.396	-4.878	-3.518	-41,9%
Other revenue	5.906	4.939	-967	-16,4%	180	2.177	1.997	1111,0%
Operating income	**249.333**	**269.372**	**20.038**	**8,0%**	**56.130**	**63.035**	**6.905**	**12,3%**
Operating Margin	56,4%	57,5%			50,6%	53,7%		
Financial costs	-87.010	-69.950	-17.060	-19,6%	-32.262	-16.192	-16.069	-49,8%
Financial revenue	2.660	4.151	1.491	56,1%	539	1.003	463	85,9%
Net FX difference	4.239	5.070	831	19,6%	4.088	-4.154	-8.242	-201,6%
Participation in results of related-companies	-16.603	-22.968	6.365	38,3%	-14.166	-17.866	3.700	26,1%
Income before income tax	**152.619**	**185.675**	**33.056**	**21,7%**	**14.330**	**25.825**	**11.495**	**80,2%**
Income tax	-38.790	-62.527	23.737	61,2%	15.419	-8.271	-23.690	153,6%
Deferred tax	22.176	2.728	-19.448	87,7%	33.410	-1.319	-34.729	103,9%
Net income	**136.005**	**125.876**	**-10.129**	**-7,4%**	**63.159**	**16.235**	**-46.924**	**-74,3%**
Net Margin	30,8%	26,8%			56,9%	13,8%		

Table 13 - Balance Sheet

	USD$ in thousand		Variation	
	Dec-18	Dec-19	USD$ Var	%
Assets				
Current Assets				
Cash and cash equivalents	46.816	78.215	**31.399**	**67,1%**
Accounts receivable to clients and other AR	55.850	63.680	**7.830**	**14,0%**
Current tax (assets)	0	27	**27**	**NA**
Inventories	9.854	12.259	**2.405**	**24,4%**
Other non-financial assets	2.144	2.576	**432**	**20,1%**
Total Current Assets	**114.664**	**156.756**	**42.092**	**36,7%**
Non-Current Assets				
Property, plant and equipment	2.181.098	2.159.356	**-21.742**	**-1,0%**
Pass-through rights	0	5.983	**5.983**	**NA**
Investments in affiliates and subordinates	12.926	11.639	**-1.287**	**-10,0%**
Commercial accounts receivable and other AR	9.560	10.808	**1.248**	**13,1%**
Intangible assets	161.657	160.895	**-762**	**-0,5%**
Other financial assets	5.981	7.161	**1.180**	**19,7%**
Total Non-Current Assets	**2.371.222**	**2.355.841**	**-15.381**	**-0,65%**
Total Assets	**2.485.886**	**2.512.597**	**26.711**	**1,1%**
Liabilities				
Current Liabilities				
Accounts payable to suppliers and other AP	22.251	18.619	**-3.632**	**-16,3%**
Taxes payable	11.052	39.732	**28.680**	**259,5%**
Benefits to employees	3.717	4.497	**780**	**21,0%**
Provisions	9.158	12.374	**3.216**	**35,1%**
Current financial obligations	39.464	0	**-39.464**	**-100,0%**
Financial leasing	0	3.121	**3.121**	**NA**
Other financial liabilities	28.054	11.282	**-16.772**	**-59,8%**
Accounts payable to related parties	3.660	4.027	**367**	**10,0%**
Total Current Liabilities	**117.356**	**93.652**	**-23.704**	**-20,2%**
Non-Current Liabilities				
Accounts payable to related parties.	370.000	370.000	**0**	**0,0%**
Financial liabilities	10.557	0	**-10.557**	**-100,0%**
Financial leasing	0	11.210	**11.210**	**NA**
Provisions.	36.282	36.121	**-162**	**-0,4%**
Liabilities for deferred taxes	361.888	359.160	**-2.728**	**-0,8%**
Issued bonds	745.652	745.993	**341**	**0,0%**
Other financial liabilities	0	16.449	**16.449**	**NA**
Total Non-Current Liabilities	**1.524.380**	**1.538.932**	**14.552**	**1,0%**
Total Liabilities	**1.641.736**	**1.632.585**	**-9.152**	**-0,6%**
Equity				
Common stocks	703.868	703.868	**0**	**0,0%**
Contributed surplus	56.043	56.043	**0**	**0,0%**
Reserves	126.320	172.325	**46.005**	**36,4%**
Period's net income	136.005	125.876	**-10.129**	**-7,4%**
Accumulated results	-39.684	-39.684	**0**	**0,0%**
Other comprehensive income	-138.401	-138.415	**-14**	**0,0%**
Total Equity	**844.151**	**880.013**	**35.862**	**4,2%**
Total Liability and Equity	**2.485.887**	**2.512.597**	**26.710**	**1,1%**

Table 14 – Cash Flow Statement

	USD$ in thosuand	
	Dec-18	**Dec-19**
Cash Flows from Operating Activities		
Net Income	**136.005**	**125.876**
Adjustment for:		
Depreciations and amortizations	85.085	91.405
Non-realized FX difference	-4.239	-5.070
Benefits to employees	-201	-364
Amortized cost financial obligations	-1.931	877
ARO valuation	4.301	2.470
Deferred tax	-22.175	-2.728
Income tax	38.790	62.527
Spare parts consumption - (assets)	0	1.336
Financial Costs	79.170	66.605
Financial Revenue	-2.660	-3.787
Participation method valuation	16.603	22.968
Loss in property, plant and equipment	13	27
Inventories (recovery) impairment	577	-1.896
Accounts receivable impairment	402	3.031
Recovery of provisions	-5.322	0
Provisions	543	3.757
Net changes in operating assets and liabilities		
(Increase) decrease in accounts receivable from clients and other AR	-12.546	-10.452
(Increase) decrease in inventories	-770	-508
(Increase) decrease in other non-financial assets	501	-430
(Increase) decrease in other financial assets	656	-7
Increase (decrease) in commercial accounts payable and other AP	-17.628	-28.801
Increase (decrease) in other labor obligations	1.557	1.118
Increase (decrease) in other financial liabilities	-8.937	-158
Increase (decrease) in estimated liabilities and provisions	-4.443	537
interest payments	-59.396	-44.529
Interest payments to related parties	-22.663	-22.663
Interest collection	2.660	3.401
Paid taxes	-40.025	-7.590
Net cash flow provided by operating activities	**163.927**	**256.952**
Cash Flows from Investment Activities		
Investments in affiliates	-14.643	-21.681
Property, plant and equipment	-65.413	-67.954
Intangibles	-89	0
Net flow provided for investment activities	**-80.145**	**-89.635**
Cash flow from Financing Activities		
Acquired financial obligations	750.000	0
Payment of financial obligations	-778.991	-46.598
Payment of Dividends	-88.109	-82.525
Net flow used in financing activities	**-117.100**	**-129.123**

Table 14 – Cash Flow Statement

Net Changes in Cash and Cash Equivalents	**-33.318**	**38.194**
Effect of exchange rate variation on cash and cash equivalent	633	-6.795
Cash and Cash Equivalents at the Beginning of the Year	**79.501**	**46.816**
Cash and Cash Equivalents at the End of the Period	**46.816**	**78.215**

Appendix 2. Disclaimer and clarifications

This document contains words such as "anticipate", "believe", "expect", "estimate" and others with similar meaning. Any information that is different from the historical information, including, but without limiting to that which refers to the Company's financial situation, its business strategy, its plans and management objectives, corresponds to forecasts.

Forecasts 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. Forecasts are uncertain and they may not materialize. One may also expect that unexpected events or circumstances occur. As a result of the foregoing, actual results may differ significantly from forecasts herein contained. Therefore, forecasts in this report must not be considered as true facts. Potential investors must not take into account the forecasts or assumptions herein contained, neither should they base their investment decisions thereupon.

The Company expressly waives any obligation or commitment to distribute updates or revisions of any of the forecasts herein contained.

The Company's past performance may not be considered as a pattern of its future performance.

Appendix 3. Terms and definitions

- Contract with interruptions or interruptible: A written agreement in which the parties agree not to assume any commitment for the continuity of the supply or transport of natural gas during a specified period. The service may be interrupted by either party, at any time and under any circumstance, by giving advance notice to the other.
- Firm Contract or that which guarantees firmness: is a written contract in which the agent guarantees the supply service of a maximum amount of natural gas and/or the maximum transportation capacity, without interruptions, during a defined term, except during the days established for scheduled maintenance and works. This contract modality requires physical support.
- BEO (Boletín Electrónico de Operaciones) [Electronic Operations Bulletin]: It is a free website that provides commercial and operational information related to the services of a transporter, which includes regulated charges, charges agreed with the market agents, nomination cycle, transportation program, offers to release capacity and gas supply, energy balance accounts and any other information established in the RUT.
- Kscfd: Thousand standard cubic feet per day.
- Mscfd: Million standard cubic feet per day.
- Average – Mscfd: It is the average of the transported volume per day during the quarter being studied.
- GBTUD: Giga British Thermal Unit per-Day.
- MBTU: Million British Thermal Units.
- ANLA: National Environmental License Authority
- ASME: American Society of Mechanical Engineers.
- CREG; Colombian Energy and Gas Regulation Commission
- ICANH: Colombian Institute of Anthropology and History
- UPME: Colombian Mining and Energy Planning Unit

Investor Relations Department
Email - ir@geb.com.co
www.grupoenergiabogota.com/en/investors