



2021 Fourth Quarter

Earnings Presentation

# Disclaimer

## 2021 Fourth Quarter: Earnings Presentation



The material that follows is a presentation of general background information about Transportadora de Gas del Sur S.A. ("TGS" or the "Company") as of the date of issue of the presentation. It is information in summary form and does not purport to be complete. It is not intended to be relied upon as advice to potential investors. This presentation is strictly confidential and cannot be disclosed to any other person. No representation or warranty, express or implied, is made concerning, and no reliance should be placed on the accuracy, fairness, or completeness of the information provided herein.

This presentation contains information and statements that are forward-looking within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended (the 'Securities Act') and Section 21E of the U.S. Securities Exchange Act of 1934, as amended. Forward-looking statements are statements that are not historical facts. These statements are only predictions based on our current assumptions, expectations and projections about future events. Forward-looking statements may be identified by the words 'believe', 'expect', 'anticipate', 'target', or similar expressions. While TGS's management believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and are generally beyond TGS's control, and could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as

a result of various factors. These risks and uncertainties include, but are not limited to, changing business, regulatory, political or other market conditions in Argentina and elsewhere, the completion of TGS's tariff revision process, the prospects for growth anticipated by our management, and other risks and uncertainties discussed in our reports and other documents filed with the U.S. Securities and Exchange Commission. These reports and documents may address new or different factors that may cause our results to differ materially from those in the forward-looking statements. Furthermore, TGS undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise, nor makes any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained herein, and no information contained herein is, or shall be relied upon as a promise or representation that any such forward looking statements will be achieved. Management is not making any representation about the likely existence of any particular future set of facts or circumstances. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they were made.

This presentation does not constitute an offer, or invitation, or solicitation of offer to subscribe for or purchase any securities. Neither this presentation nor any information contained herein shall form the basis of any contract or commitment whatsoever. Securities cannot be offered or sold in the United States unless they are registered or exempt from registration under the Securities Act. Any offering of securities to be made in the United States must be made by means of a prospectus or offering filed in connection with any such offering.

## Recent events

2021 Fourth Quarter: Earnings Presentation



### **Transportation transitional tariff increase**

- 60% effective from March 2022 (ENARGAS Resolution No. 60/22).
- During January 19 public hearing, TGS requested increases of 80% in March and 25% in September.
- Integral Tariff Revision to end December 2022.
- No tariff adjustment since April 2019, with wholesale price index of 224% (Feb 2019-Jan 2022).

### **Investment in the Tratayen conditioning plant**

- US\$ 22 MM capex to add 7MMm<sup>3</sup>/d capacity to be commissioned in mid 2022.
- Another US\$ 82 MM capex to add new module with additional capacity of 6.6 MMm<sup>3</sup>/d from mid 2023.
- Increasing midstream services demand: new agreements to be signed soon.

### **Néstor Kirchner pipeline construction and other expansions**

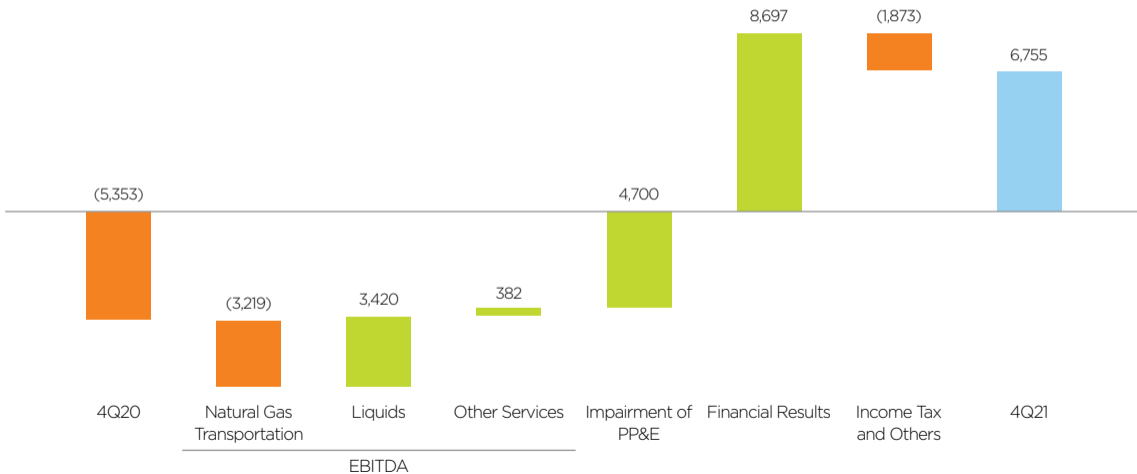
- Resolution No. 67/22 (Secretary of Energy) and Decree No. 76/2022 (Executive Branch)
- Néstor Kirchner pipeline construction in two steps:
  1. Tratayén - Salliqueló (Province of Buenos Aires and connection to tgs' pipeline)
  2. Salliqueló - San Jerónimo (South of Santa Fe province)
- Pipeline extension in the north of Province of Buenos Aires (Mercedes - Cardales), expansions in the current pipeline system and flow reversion of TGN's pipeline.
- 35-year concession to IEASA (state owned company).
- Positive impact on tgs' midstream business in Vaca Muerta and other projects.

# Fourth Quarter Results Highlights

2021 Fourth Quarter: Earnings Presentation



## NET INCOME 4Q21 VS. 4Q20 (IN MM AR\$)

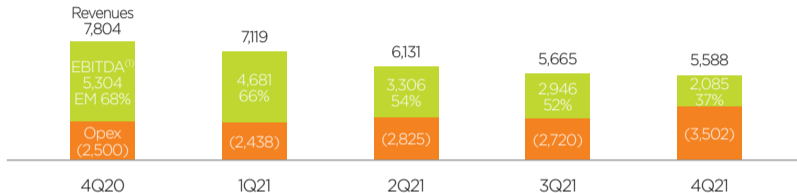


# Fourth Quarter Results Highlights

2021 Fourth Quarter: Earnings Presentation



## NATURAL GAS TRANSPORTATION (MM AR\$)



<b>4Q20 EBITDA</b>	<b>5,304</b>
Inflation loss effect	(2,458)
Higher PP&E maintenance expenses	(509)
Others	(252)
<b>4Q21 EBITDA</b>	<b>2,085</b>

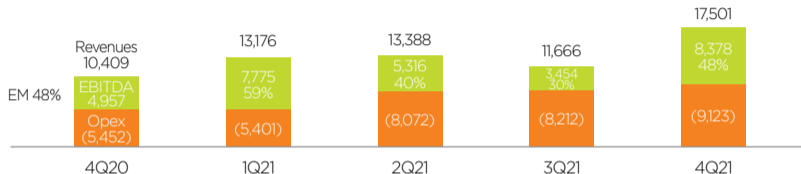
(1) EBITDA is a non-IFRS financial measure. We define EBITDA as revenues minus operating costs and expenses (excluding depreciation and amortization and PP&E impairment).

# Fourth Quarter Results Highlights

2021 Fourth Quarter: Earnings Presentation



## LIQUIDS (MM AR\$)



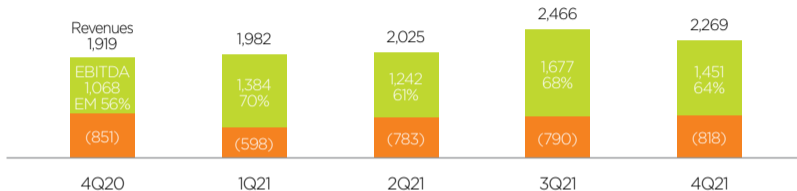
<b>4Q20 EBITDA</b>	<b>4,957</b>
Higher international prices	5,241
Higher export volumen (mainly propane: 64K vs 37K mt - 1,853)	2,473
Higher ethane price	770
Higher price of natural gas (US\$ 2.5 vs. US\$1.4 p/MMBTU)	(2,552)
Monetary effect (inflation higher than exchange rate increase, 51% vs. 26%)	(796)
Higher tax on export (higher rate and higher export revenues)	(715)
Higher natural gas volumen purchased	(405)
Others	(595)
<b>4Q21 EBITDA</b>	<b>8,378</b>

# Fourth Quarter Results Highlights

2021 Fourth Quarter: Earnings Presentation



## OTHER SERVICES (MM AR\$)



<b>4Q20 EBITDA</b>	<b>1,068</b>
Midstream services revenues in Vaca Muerta	636
Higher midstream revenues	141
Monetary effect (inflation higher than exchange rate increase, 51% vs. 26%)	(444)
Others	50
<b>4Q21 EBITDA</b>	<b>1,451</b>

# Fourth Quarter Results Highlights

2021 Fourth Quarter: Earnings Presentation



NET FINANCIAL RESULTS (MM AR\$)			
4 <sup>TH</sup> Quarter		Variation	
2021	2020	Ar\$	
398	(8,299)	8,697	

MAIN VARIATIONS	
6,980	Financial assets results
2,063	Lower foreign exchange rate loss
1,023	Higher financial asset income
(1,176)	Lower gains due to inflation exposure

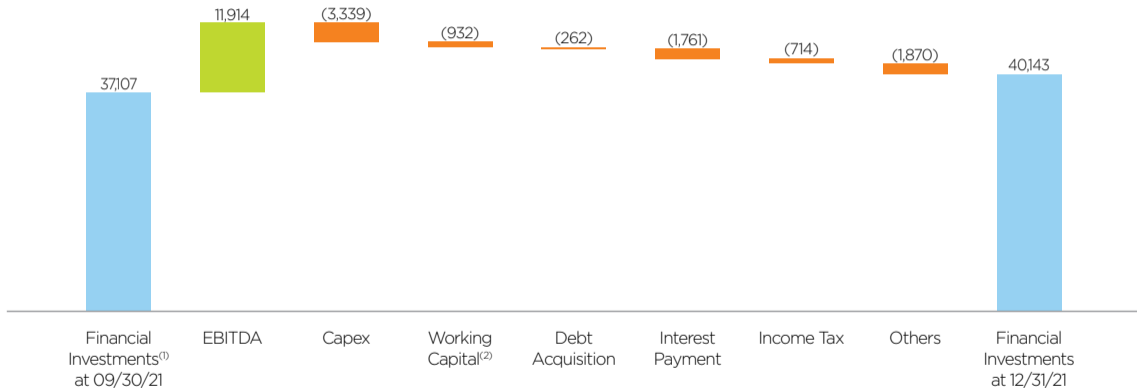


# Fourth Quarter Results Highlights

2021 Fourth Quarter: Earnings Presentation



## 4<sup>TH</sup> QUARTER 2021 CASH FLOW (MM AR\$)



1 Financial Investments is a non-IFRS financial measure. We define Financial investments as cash and cash equivalents and other financial assets at amortized cost.

2 Working Capital is a non-IFRS financial measure. We define Working Capital as Changes in assets and liabilities from the Consolidated Statement of Cash Flow, except for Interest paid and Income tax paid.

