

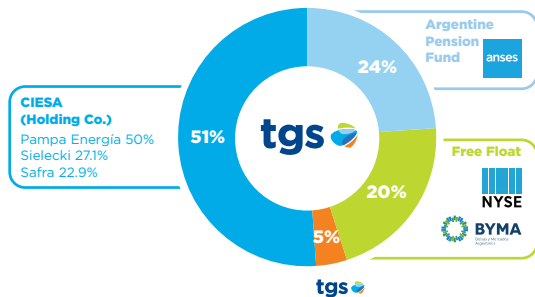


**Transportadora de Gas del Sur S.A.**

**Investor Presentation**

July 2024

## OWNERSHIP STRUCTURE



## STRONG SPONSORSHIP FROM SHAREHOLDERS

- Pampa Energía is a leading energy company with upstream O&G production providing experienced support.
- Sielecki group is a large player in the petrochemical and pharmaceutical industries.

## SEASONED MANAGEMENT

- Highly experienced management team with at least +25 years of experience in the industry.
- Committed personnel with low turnover.
- 5 independent board members out of 9.
- Global standards of corporate governance.
- Publicly listed since 1994 in NYSE and BYMA.

## Natural Gas Transportation

Regulated Business

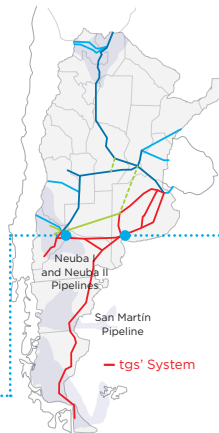


## Midstream

Non-Regulated Business



Neuquén



## Production, Storage and Dispatch of Liquids

Non-Regulated Business



Bahía Blanca

## Telecommunication Services

Non-Regulated Business





## Natural Gas Transportation

1º

The Largest Gas Pipeline in Latin America



60%

Of the total transported in Argentina for local consumption



9,248

Km of pipelines



83

MMm<sup>3</sup>/Day Firm Contracted Capacity



## Liquids

2º

Natural Gas Processor



47

MMm<sup>3</sup>/Day Natural Gas Processing Capacity



1.1MM

MT Liquids Annual Production

54,000

MT Storage Capacity



## Midstream and Other Services



### Vaca Muerta

Shale Gas Transportation (182 km pipeline and 60MMm<sup>3</sup>/d transportation capacity) and Conditioning (14.8 MMm<sup>3</sup>/d capacity)



Maintenance and operation of GPNK (Tratayén-Salliqueló tranche -573km)



Other Midstream Services

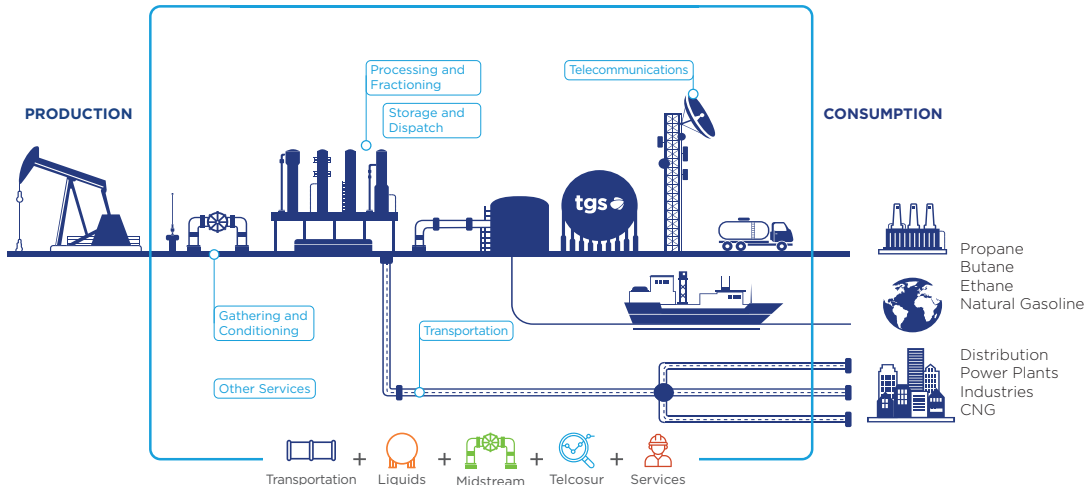


Telecommunications services

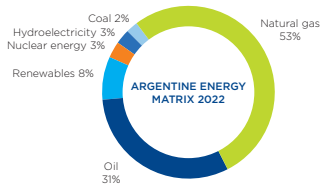
Regulated (Ar\$ Revenues)

Non Regulated (Us\$ Revenues)

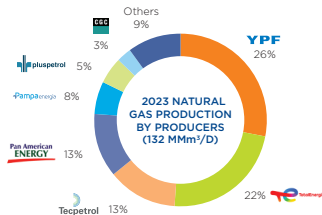
# tgs is the backbone of the natural gas industry in Argentina



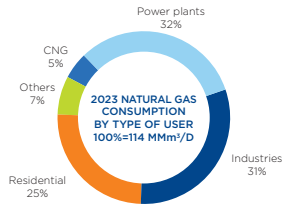
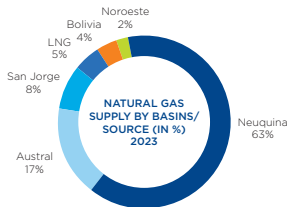
# The Argentine natural gas industry



Source: Federal Energy Bureau - Argentina



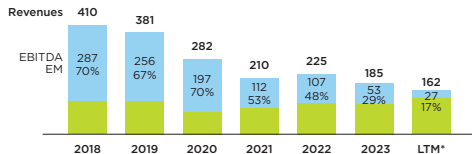
Source: Federal Energy Bureau - Argentina



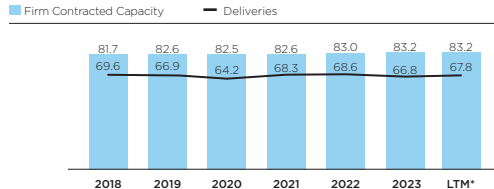
Source: ENARGAS

# tgs is the largest gas transportation company in Latin America

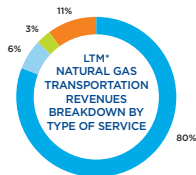
## NATURAL GAS TRANSPORTATION REVENUES AND EBITDA (US\$MM)



## FIRM CONTRACTED CAPACITY AND DELIVERIES (MMm<sup>3</sup>/d)



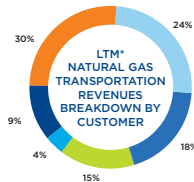
The capacity is reserved and paid regardless of actual usage by customers.



- Firm<sup>1</sup>
- CAU<sup>2</sup>
- Interruptible
- Others

<sup>1</sup>Generated by take or pay contracts with an average life of more than 10 years.

<sup>2</sup>Charge of access and use.



- Metrogas
- Camuzzi Pampeana
- Naturgy Argentina
- Camuzzi Sur
- CAMMESA
- Others (power plants, industries and traders)

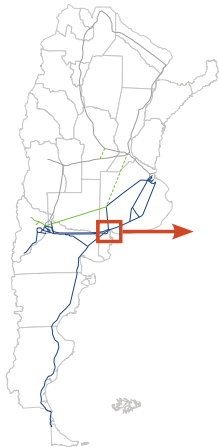
(\*) Last twelve months as of March 31, 2024.



- Last tariff increase under the 2017 Integral Tariff Revision (ITR): 26% (April 2019).
- Emergency law (December 2019) and decrees:
  - 1) Suspension of 2017 ITR.
  - 2) ENARGAS granted 2 transitional tariff adjustments:
    - March 2022: 60%
    - April 2023: 95%
- **Decree No. 55/2023 (Dec 2023):**
  - 1) ITR (deadline Dec. 2024).
  - 2) Transitional tariff increases.
- 675% tariff increase effective from April 2024 and monthly adjustment (inflation and salary indexes) from May to December 2024.
- ENARGAS notified tgs that May and June monthly tariff adjustments will not be implemented and following monthly increases during 2024 will be based on future inflation.
- License extension requested to ENARGAS in 2023 (10 years from 2027 to 2037): favourable ENARGAS report expected within coming weeks.



## Our assets in Bahía Blanca



**Cerri Complex**



**15 km**

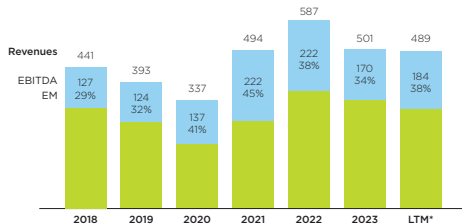


**Galván Plant**

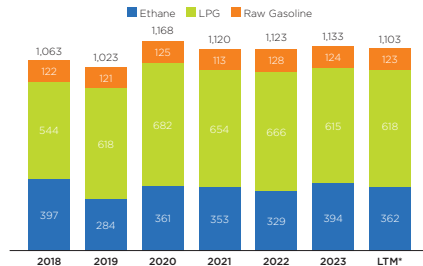


tgs is one of the largest producers of liquids in Argentina

### LIQUIDS REVENUES AND EBITDA (US\$MM)



### LIQUIDS PRODUCTION EVOLUTION ('000 MT)



**1.1MM**

MT Liquids  
Production in 2023

Ethane →

100% PBB (Dow)

LPG →



62% Domestic Market

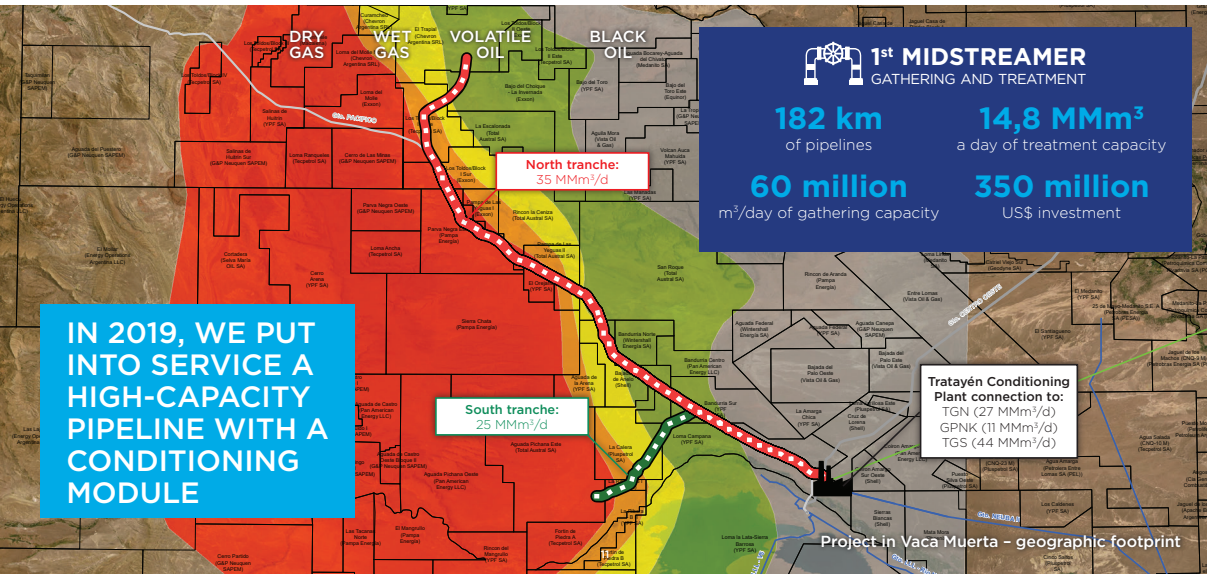
Natural Gasoline →



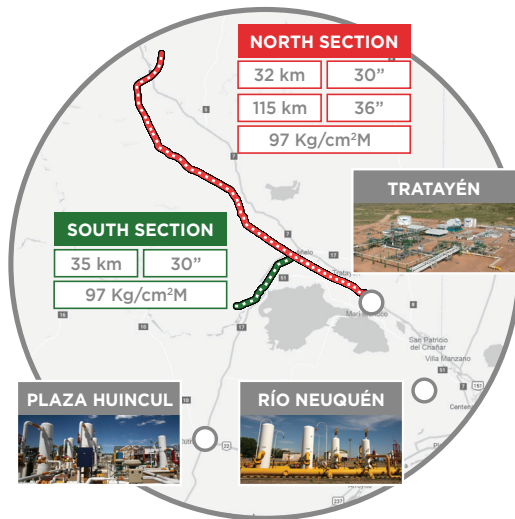
38% Exports

100% Exports

The vision was to expand conditioning,  
keeping pace with the development of VM



# Our assets in Neuquén



## WE GREW IN NEUQUÉN TO RENDER MORE AND BETTER SERVICES

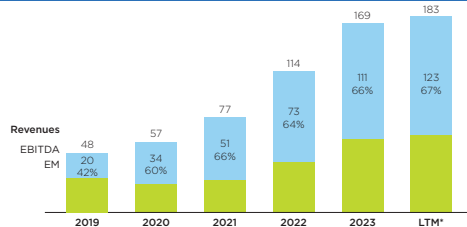
### Midstream Services:

- Gathering and Treatment Services.
- Services at Well Head.
- O&M of Pipelines and Plants.
- Works Management.

### Clients:



## MIDSTREAM AND OTHER SERVICES REVENUES AND EBITDA (US\$MM)



(\*) Last twelve months as of March 31, 2024.

# Tratayén conditioning plant

**2019**  
Module 1  
5.4 MMm<sup>3</sup>/d

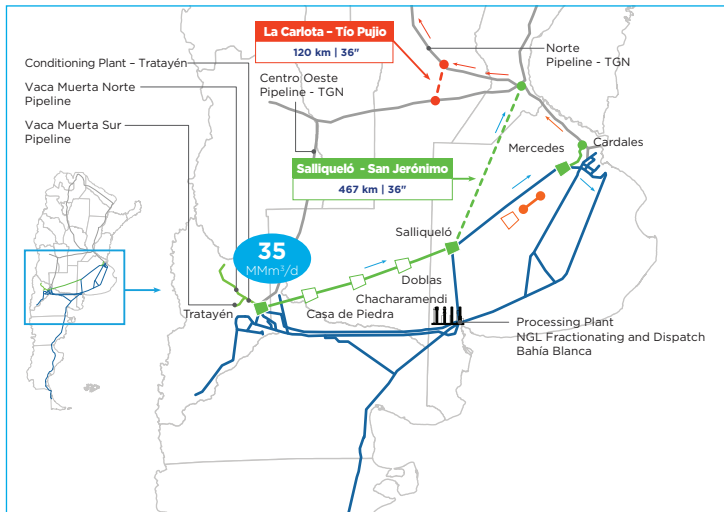
**2021**  
Expansion Mod. 1  
2.4 MMm<sup>3</sup>/d  
**US\$ 16 MM**  
Total capacity:  
7.8 MMm<sup>3</sup>/d

**2023**  
Modules 2 and 3  
7.0 MMm<sup>3</sup>/d  
**US\$ 32 MM**  
Total capacity:  
14.8 MMm<sup>3</sup>/d

**2024**  
Modules 4 and 5  
13.2 MMm<sup>3</sup>/d  
**US\$ 320 MM**  
Total capacity:  
28 MMm<sup>3</sup>/d

**13.2 MMm<sup>3</sup>/d**  
Convertible to extract LPG

# 14 MMm<sup>3</sup>/d Transportation Capacity Expansion Project



- To maximize tgs' midstream business in Vaca Muerta.
- To replace more expensive LNG and diesel imports.
- To be operative by winter of 2026.

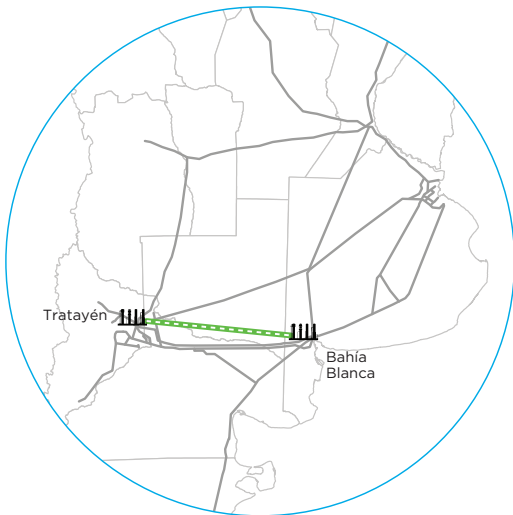
500 MM U\$S	MMm <sup>3</sup> /d	KM	HP
GPNK Section I	14	-	90,000

- Private Initiative presented to the National Government which implies a bidding process.
- U\$S tariff (Hydrocarbons Law).

200 MM U\$S	MMm <sup>3</sup> /d	KM	HP
Final Sections	12	20	15,000

- Executable under the terms of the license (Ar\$ tariff).

## NGL Project

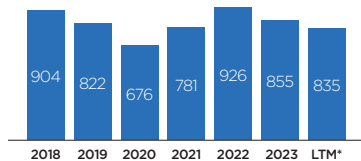


- Natural gas processing plant (40 MMm<sup>3</sup>/d and 2.3 MM MT annual production of LPG and raw gasoline) in Tratayén.
- Poliduct from Tratayén to Bahía Blanca.
- Fractioning, storage and dispatching plants in Bahía Blanca.

# Solid financial performance

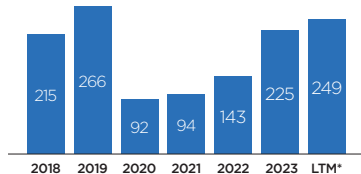
## Revenue evolution

US\$mm



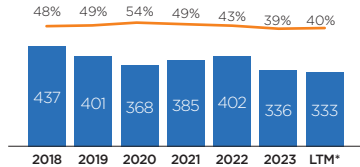
## CapEx

US\$mm

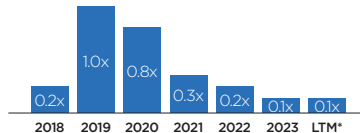


## EBITDA and EBITDA margin evolution

US\$mm



## Net Leverage



(\*) Last twelve months as of March 31, 2024.



# tgs' financial situation

- Strong cash generation.
- High level of cash and financial investments: US\$ 557 MM as of 03/31/2024.
- Diversified revenues with dollar based contracts in the non regulated business.

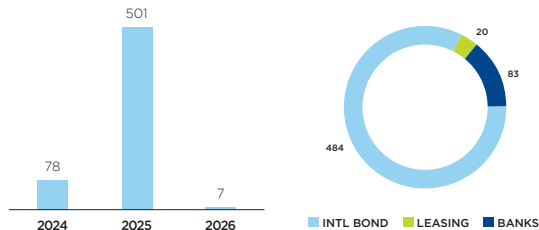
## TGS US\$ 500MM due May 2, 2025 (bullet):

- Coupon: 6.75%, payable semi-annually.
- Issuance price 99.725%.
- Rating CCC / Caa3.
- Use of proceeds: 2020 Notes cancellation and Vaca Muerta Midstream project.
- Financial covenant: Net Debt /EBITDA ratio <3.5 (03/31/2024: 1.28).
- Amount net of repurchases: US\$ 470 MM.

## Dividend payments:

2017	-
2018	US\$ 114 MM
2019	US\$ 169 MM and 29.4 MM treasury shares
2020	-
2021	-
2022	-
2023	-

## DEBT PROFILE (US\$MM)



# Financial highlights



US\$ MM <sup>1</sup>	1 <sup>ST</sup> QUARTERS		YEARS		
	2024	2023	2023	2022	2021
Net revenues	203	224	855	926	781
Natural Gas Transportation	21	44	185	225	210
Liquids	137	149	501	587	494
Midstream and Other Services	45	30	169	114	77
EBITDA	96	97	334	402	385
Net financial expense	26	(15)	(90)	(18)	(4)
Net income	65	27	29	182	204
Cash and Cash equivalent and other financial assets	557		540	465	391
PP&E	1,794		1,228	1,662	1,462
Other assets	158		119	198	174
Assets	2,509		1,887	2,326	2,027
Financial debt	586		583	534	512
Other liabilities	346		245	284	341
Liabilities	932		829	818	853
Shareholders' Equity	1,577		1,058	1,508	1,174
Capex	69	45	225	143	94

<sup>1</sup> Figures in constant pesos as of the end of each year converted at exchange rate of Banco Nación Argentina ("BNA") as of the end of each year, except for Net revenues and EBITDA, which are stated in historical pesos converted at the average exchange rate of BNA.

## Priority objectives for **tgs**

### ENVIRONMENTAL



### SOCIAL



### GOVERNANCE



## ENVIRONMENT

### STRATEGY OBJECTIVE

Preserve the environment through a responsible consumption and the minimization of negative impacts in the execution of our operations.

### KEY TOPICS

#### EMISSIONS

- Emission reduction plan.
- Carbon neutral analysis.

#### ENERGY

- Traceable Energy Efficiency Program.

#### WASTE, WATER AND EFFLUENTS

- Waste Management Plan.

#### Biodiversity

#### Environmental risk prevention

#### Environmental promotion actions

## SOCIAL

### STRATEGY OBJECTIVE

Develop safe and healthy practices. Promote diversity and equality by maintaining long lasting relationships that enable the professional development of employees. Encourage dialogue with communities.

### KEY TOPICS

#### SAFETY AND HEALTH

- Management of proactive indicators.

#### OCCUPATIONAL HEALTH

- Health promotion.

#### WORKING ENVIRONMENT AND WELL-BEING OF PEOPLE

#### INCLUSION, DIVERSITY AND NON-DISCRIMINATION

- Preparation of the Strategic Plan.

#### SAFETY AND HEALTH

- Definition, implementation and strengthening of a social investment plan.
- Definition of a plan for relations with indigenous communities, in line with regulations.

#### Employment and professional development

#### Efficiency and quality of services and products

## CORPORATE GOVERNANCE

### STRATEGY OBJECTIVE

To manage our businesses within a framework of integrity, in an ethical, transparent and sustainable way, to generate value for our stakeholders.

### KEY TOPICS

#### ETHICS AND TRANSPARENCY

- Strengthening of due diligence on personnel.

#### FIGHT AGAINST CORRUPTION

- Assessment of compliance with anti-money laundering policy and public procurement proceedings.

#### CYBERSECURITY

- Implementation of a roadmap based on NIST framework.

#### COMPLIANCE

- Update of the Integrity Program towards a Compliance program.

#### RESPECT FOR HUMAN RIGHTS

- Work on due diligence in the communities where we have activities to obtain the social license to operate.

#### ESG INTEGRATION IN RISK MANAGEMENT

- Sustainable value chain

#### ESG INTEGRATION IN THE STRATEGY

# For additional information on tgs, please contact:



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**tgs**



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