



City of Buenos Aires, August 8, 2024

TRANSPORTADORA DE GAS DEL NORTE S.A

(hereinafter the “Company” or “TGN”) is pleased to announce RESULTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024.

STOCK INFORMATION:

Market capitalization as of June 28,2024:

AR\$ 1,334,818.0 million.



20% of its capital stock trades on BYMA^(*); Ticker: TGNO4

Capital Structure:

Class A: 179.3 million

Class B: 172.2 million

Class C: 87.9 million

Total: 439.4 million

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^(*) Bolsas y Mercados Argentinos S.A.

Main indicators for the six-month period ended June 30, 2024:

- Loss for the period amounted to AR\$ 14,823.8 million (AR\$ -33.74 per share) compared to an income of AR\$ 62,529.2 million (AR\$ 142.31 per share) during the same period in previous year, principally explained by a lower gain in other income and higher loss on monetary position, which was partially offset by a lower income tax charge.
- Revenues for the six-month period reached AR\$ 131,002.9 million, increasing 33.0% in comparison with the same period in previous year where revenues amounted to AR\$ 98,486.1 million. This increase is mainly explained as a result of the 675% increase in TGN's local transportation rates in force from April 2024 and, additionally, to the positive effect in export transportation services generated by the increase in the exchange rate.
- EBITDA ¹ for the period reached AR\$ 55,404.0 million, representing an increase of 145.8% compared to the same period in 2023 where EBITDA amounted to AR\$ 22,543.0 million. This variation is mainly explained by the increase in TGN's local transportation rates and lower administrative expenses.

¹ EBITDA: Earnings before interest, tax, depreciation and amortization, have been calculated as “Income before other income and expenses” plus depreciation for the period for items of “Property, plant and equipment”. Include litigation expenses relating to YPF agreement.



1- Current economic context:

The Company operates within a complex economic context where main variables have experienced a strong volatility.

Argentina's main macroeconomic indicators are:

- The Gross Domestic Product drop in 2023 was 1.6%.
- Cumulative inflation between January 1 and June 30, 2024 reached 79.77% and June year-to-year inflation reached 271.53%, according to the Consumer Price Index published by the National Institute of Statistics and Census.
- Between January 1 and June 30, 2024, the peso depreciated 12.81% against the US dollar, according to the exchange rate published by Banco de la Nación Argentina ("BNA").

During 2023, the Central Bank of Argentina ("BCRA") imposed greater exchange restrictions, which also affect the value of the foreign currency on existing alternative markets for certain exchange transactions that are restricted on the official market. These measures, aimed at restricting access to the exchange market and therefore the demand for US dollars, imply the need to obtain the previous authorization of the BCRA for certain transactions. Said exchange restrictions may affect the Company's capacity to access the Free Foreign Exchange Market to acquire the foreign currency necessary to face its commercial obligations.

On December 10, 2023, a new administration took office in Argentina, which has proposed among its objectives the establishment of a new economic regime in the country, for which the new president intends to carry out a broad reform of laws and regulations, moving forward with a profound deregulation of the economy and with structural reforms that free up restrictions to invest and operate in the country.

Among its first measures, the new government published Necessity and Urgency Decree No. 70/2023 ("DNU") which annuls and/or modifies approximately three hundred laws, introducing reforms in the labour market, customs code and status of state-owned companies, among others. The DNU must be discussed and ratified by at least one of the houses of the National Congress: it has been rejected by the Senate and its treatment is still pending at the Lower House, however its provisions remain partially effective since December 29, 2023, as a result of certain judicial actions that have suspended certain modifications.

On July 8, the Bases and Starting Points for the Freedom of Argentines No. 27,742 ("Bases Law") was enacted, declaring the public emergency in administrative, economic, financial and energy matters for a term of one year. Such law also includes other measures ranging from the delegation of powers to the PEN, the dissolution of public agencies and a labour reform. It also creates a Large Investments Incentive Regime ("RIGI") with tax, customs and exchange incentives, among others.



As of the date of issue of these condensed interim financial statements the economic context continues to be uncertain and volatile. The Company's Management permanently monitors how the variables that affect the business evolve in order to determine possible actions to be adopted and identify potential impacts on its equity and financial position. These financial statements should be read in the light of said circumstances.

2- Revenues for the six-month ended June 30, 2024:

The increase in inflation adjusted revenues amounting to AR\$ 32,516.8 million between the six-month periods ended June 30, 2024 and 2023 is due to:

- AR\$ 15,579.5 million increase in revenues from "Gas transportation services" due to the 675% rate increase in force as from April 2024;
- AR\$ 17,895.9 million increase in revenues from "Gas transportation services" for export, due to the positive effect generated by the increase in the exchange rate of the U.S. dollar between both periods, on rates denominated in said currency; and
- AR\$ 958.6 million decrease in revenues from "Gas pipeline operation and maintenance and other services".

As of June 30, 2024, 95.0% of the Company's revenues came from the gas transportation services (regulated business), with the remaining 5.0% being represented by gas pipeline operation and maintenance and other services (non-regulated business). As of June 30, 2023, revenues from the regulated business accounted for 92.4% while those from the non-regulated business accounted for the remaining 7.6%.

3- 2024 Interim Agreement:

On December 18, 2023, the PEN pronounced Necessity and Urgency Decree No. 55/23 whereby, among other things, the PEN (i) declares the commencement of the CRR process pursuant to article 42 of the Natural Gas Act, and establishes that the coming into force of the rate charts resulting from such process shall not be later than December 31, 2024, (ii) decrees the intervention of ENARGAS effective as of January 1, 2024 until designation of the Board members resulting from a selection process and (iii) determines that ENARGAS comptroller as such will have the power to run and administer said entity in accordance with the Natural Gas Act.

On March 26, 2024 the Company entered into a new interim agreement (the "2024 Interim Agreement") with ENARGAS for the rate adjustment, by virtue of which ENARGAS published Resolution No. 113/2024, approving a 675% increase in TGN's transportation rates, effective as from April 2024 and monthly adjustable under ENARGAS resolution. Such increase entails the obligation to execute during 2024 a mandatory investment plan for the amount of nineteen



thousand one hundred and fifty million pesos (AR\$ 19,150,000,000), adjustable in the same way as the rate, prioritizing reliability, safety and quality works along the Company's gas pipeline system. During the term of the 2024 Interim Agreement, the Company undertakes not to initiate actions or claims against the National Government based on the rate freeze provided by the Solidarity Law. In May, June and July, the ENARGAS, citing express instructions from MECON and the National Energy Secretariat, informed the Company that the rate adjustment foreseen for those months would not take place, and that the rate charts established under Resolution No. 113/2024 would continue in force. Within the framework of the aforementioned Necessity and Urgency Decree No. 55/23, on August 2, through Resolution No. 412/24, ENARGAS provided for a 4% adjustment to the Company's gas transportation rates effective as from that date.

In light of the provisions of the 2024 Interim Agreement, TGN exercised its right to denounce the 2022 Interim Agreement and the Addendum. Thus, the Company was released from the prohibition to distribute dividends, prepay loans with shareholders and acquire companies or grant loans.

4- Costs and expenses for the six-month period ended June 30, 2024:

During the first six-month period of 2024, the cost of service amounted to AR\$ 71,887.6 million, increasing 1.4% in comparison with the same period in previous year. This increase is mainly explained by a variation in Maintenance and repair of property, plant and equipment and third-party services and supplies.

Administrative and selling expenses for the period amounted to AR\$ 26,228.4 million, showing a 22.8% decrease with respect to the previous year, mainly explained by a lower charge on Lawsuits and litigation expenses.

5- Financial situation:

Indebtedness in foreign currency:

As of June 30, 2024, TGN has Indebtedness in foreign currency according to the following detail:

- On September 16, 2022, the loan taken with "Itaú Unibanco S.A. Nassau Branch" on October 19, 2020, and originally due on October 21, 2022, was extended for an additional term of twenty-four months.

The terms and conditions of the facility are described below:

- Amount: US\$ 55,000,000;
- Term: twenty-four months;



- Amortization: 100% at maturity;
 - Interest: quarterly;
 - Rate: 1.50% p/a;
 - Prepayment: total or partial at any time without any cost or penalty;
 - Guarantee: first lien for the amount of of US\$ 56,500,000.
- Loan with Itaú Unibanco S.A. Nassau Branch for an amount of US\$ 343 thousand to pay for imports, taken in November 2023, for a term of 217 days at a fixed rate, with the same guarantee as the one mentioned above.
- Loan with Itaú Unibanco S.A. Nassau Branch for an amount of US\$ 780 thousand to pay for imports, taken in April 2024, for a term of 178 days at a fixed rate, with the same guarantee as the one mentioned above;

The current balance as of June 30, 2024 amounts to AR\$ 68,362.0.

Additionally, on July 2024, TGN has paid interest for US\$ 0.21 million and canceled an import financing debt for US\$ 0.36 million.

Indebtedness in pesos:

As of June 30, 2024, the Company owed short-term loans taken in May 2024 for an initial amount of AR\$ 16,200 million, which were cancelled during the month of July of the current year.

6- Operating data:

Volumes dispatched during the first six-month period of 2024 increased by 0.02% compared to the same period in 2023. This was mainly explained by an increase in interruptible local transportation services, which was partially offset by a decrease in export transportation volumes.



Below are volumes dispatched broken down by source, contract type and destination:

Per source in million m ³	As of 06.30	
	2024	2023
Northern Pipeline	2,746	2,874
Central West Pipeline	7,290	7,076
Final Sections	2,578	2,662
Total	12,614	12,612

Per contract type in million m ³	As of 06.30	
	2024	2023
Firm	6,217	6,140
Interruptible & exchange and displacement	6,397	6,472
Total	12,614	12,612

Per destination in million m ³	As of 06.30	
	2024	2023
Domestic market	11,508	11,372
Export market	1,106	1,240
Total	12,614	12,612



ANEXXES:

1- Statement of Income (in millions AR\$)

	Six-month period ended	
	06.30.2024	06.30.2023
Revenues	131,002.9	98,486.1
Cost of service	(71,887.6)	(70,895.4)
Gross profit	59,115.2	27,590.8
Selling expenses	(5,283.3)	(4,297.9)
Administrative expenses	(20,945.1)	(29,675.4)
Other net income and expenses	(348.5)	112,256.7
(Charge) / recovery due to impairment of financial assets	(205.6)	36,292.6
Profit before financial income	32,332.7	142,166.8
Other net financial income	79,953.2	51,031.6
Financial income	3,794.2	2,338.7
Financial expenses	(3,336.3)	(909.0)
Loss on monetary position	(149,480.2)	(98,904.4)
Income from investments in affiliated companies	292.4	157.9
(Loss) income before income tax	(36,443.9)	95,881.6
Income tax	21,620.1	(33,352.4)
(Loss) profit for the period	(14,823.8)	62,529.2
Other comprehensive loss for the period	(1,848.0)	(21.2)
Comprehensive (loss) profit for the period	(16,671.8)	62,508.0

2- Statement of Income for 2Q (in millions AR\$)

	4Q 2024	4Q 2023
	Revenues	98,425.6
Cost of service	(37,140.4)	(38,107.6)
Gross loss	61,285.2	14,188.3
Selling expenses	(3,641.1)	(2,309.0)
Administrative expenses	(11,765.4)	(13,663.8)
Other income and expenses	(3,504.5)	5,044.9
Charge due to impairment of financial assets	(105.3)	(12.5)
Profit before financial income	42,269.0	3,247.9
Other net financial income	33,298.2	66,814.5
Financial income	1,130.4	898.8
Financial expenses	(1,359.5)	(474.7)
Loss on monetary position	(40,565.8)	(55,753.8)
Income from investments in affiliated and controlled companies	22.3	122.5
Gain before income tax	34,794.6	14,855.3
Income tax	(12,888.9)	(4,096.2)
Gain for the period	21,905.7	10,759.1
Other comprehensive (loss) profit for the period	(102.3)	39.0
Comprehensive gain for the period	21,803.4	10,798.2



3- Balance Sheet (in millions AR\$)

	06.30.2024	12.31.2023
ASSETS		
Non-current assets		
Property, plant and equipment	438,447.4	442,558.1
Investments in affiliated companies	526.1	3,686.4
Materials and spare parts	21,270.9	16,200.7
Other accounts receivable	68,204.2	163,058.6
Trade accounts receivable	45,212.5	72,020.7
Investments at amortized cost	0.0	1,680.7
Total non-current assets	573,661.1	699,205.2
Current assets		
Materials and spare parts	2,149.7	2,748.0
Other accounts receivable	49,734.8	75,158.2
Trade accounts receivable	49,017.9	15,853.9
Investments at amortized cost	1,080.1	-
Investments at amortized cost of restricted availability	51,421.6	81,912.7
Investments at fair value	97,971.5	122,723.6
Cash and cash equivalents	21,213.4	8,064.8
Total current assets	272,588.9	306,461.1
Total assets	846,250.1	1,005,666.3
SHAREHOLDERS' EQUITY		
Share capital	439.4	439.4
Share capital adjustment	314,760.4	314,760.4
Legal reserve	63,040.0	63,040.0
Optional reserve for working capital and liquidity coverage	242,346.5	242,346.5
Optional reserve for future dividends	110,118.5	-
Other reserves	(1,207.4)	640.6
Retained earnings	(14,823.8)	110,118.5
Total shareholders' equity	714,673.6	731,345.3
LIABILITIES		
Non-current liabilities		
Deferred income tax liability	22,654.2	38,949.0
Lease debts	4,318.8	7,016.9
Other debts	500.7	667.7
Trade accounts payable	2,538.6	660.2
Total non-current liabilities	30,012.2	47,293.8
Current liabilities		
Contingencies	84.1	353.2
Loans	68,362.0	95,110.5
Lease debts	835.0	621.6
Salaries and social security contributions	7,002.5	8,385.6
Taxes payable	1,922.1	1,123.4
Income tax payable	-	85,409.3
Other debts	6,735.9	10,973.7
Trade accounts payable	16,622.6	25,049.9
Total current liabilities	101,564.3	227,027.1
Total liabilities	131,576.5	274,320.9
Total liabilities and shareholders' equity	846,250.1	1,005,666.3



4- Statement of Cash Flows (in millions AR\$)

	06.30.2024	06.30.2023
(Loss) profit for the period	(14,823.8)	62,529.2
Adjustments to cash generated by (used in) operating activities:		
Property, plant and equipment depreciation	22,516.6	28,928.5
Residual value of property, plant and equipment w ritten-off	46.2	286.8
Income tax	(21,620.1)	33,352.4
Accrued interest generated by liabilities	3,224.9	843.2
Accrued interest generated by assets	(3,794.2)	(2,338.7)
(Loss) income from discount at present value	(7,518.4)	51,585.0
Recoveries in allow ances and provisions	(2,944.2)	(36,019.6)
Increase in allow ances and provisions	-	9,115.5
Other income and expenses	-	(960.1)
Exchange rate differences and other net financial income	(85,193.2)	(88,966.2)
Income from commercial compensations	-	(107,511.0)
Loss from investments in affiliated companies	(292.4)	(157.9)
Net changes in operating assets and liabilities		
(Increase) decrease in trade accounts receivable	(780.7)	56,901.2
Decrease (increase) in other accounts receivable	133,929.5	(2,216.0)
(Increase) decrease in materials and spare parts	(653.8)	828.7
Decrease in trade accounts payable	(6,828.0)	(10,058.4)
Decrease in salaries and social security contributions	(1,383.1)	(2,905.1)
Decrease in taxes payable	(68,586.6)	(1,099.1)
Decrease in other debts	(8,556.9)	(4,595.1)
Decrease in contingencies	(161.7)	(150.6)
Income tax payment	(10,753.2)	-
Net cash flow used in operating activities	(63,420.0)	(12,607.3)
Acquisition of property, plant and equipment	(19,078.9)	(15,200.5)
Investment in Gasoducto Vicuña S.A.U.	(10.9)	-
Dividends received from Comgas Andina S.A.	1,615.6	-
Subscriptions, net of redemption of investments at amortized cost and investments at fair value (non-cash equivalents)	118,928.6	49,725.3
Principal received from investments at amortized cost and investments at fair value	-	4.2
Interest received from investments at amortized cost and investments at fair value	-	1.0
Net cash flow generated by investing activities	101,454.4	34,530.0
Taking of loan with Itaú Unibanco S.A. Nassau Branch	742.7	-
Payment of principal on Itaú Unibanco S.A. Nassau Branch loan	(410.4)	-
Payment of interest on Itaú Unibanco S.A. Nassau Branch loan	(466.5)	(394.1)
Taking of local loans in dollars	9,240.4	-
Payment of principal on local loans in dollars	(9,035.0)	-
Payment of interest on local loans in dollars	(26.9)	-
Taking of local loans in pesos	17,219.2	-
Payment of principal on local loans in pesos	(9,335.4)	-
Payment of interest on local loans in pesos	(2,694.5)	-
Lease payment	(16.4)	(1,192.1)
Net cash flow generated by (used in) financing activities	5,217.3	(1,586.2)
Net increase in cash and cash equivalents	32,498.5	20,333.5
Cash and cash equivalents at the beginning of fiscal year	8,064.8	14,579.8
Financial loss generated by cash	(19,349.8)	(22,886.5)
Cash and cash equivalents at the end of period	21,213.4	12,026.8

This earnings release should be read in connection with the interim condensed financial statements for the six-month period ended June 30, 2024 that are available at:

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