



**Interim Condensed Financial Statements as of September 30, 2021 in
thousand Pesos, on a comparative basis**



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Overview

Review Report from the Independent Auditors

Report from the Supervisory Committee



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Registered address: Don Bosco 3672 – 3rd floor – City of Buenos Aires.

INTERIM CONDENSED FINANCIAL STATEMENTS for the nine-month period ended September 30, 2021, on a comparative basis.

Main activity of the Company: provision of natural gas transportation utility service.

Date of registration with the Public Registry: December 1st, 1992.

Registration number with the Superintendency of Corporations: 11,667 – Book 112 - Volume A - Corporations.

Amendments to by-laws registered with the Public Registry: March 7, 1994; June 9, 1994; July 5, 1994; February 14, 1995; August 9, 1995; June 27, 1996; December 23, 1996; September 20, 2000; July 7, 2004; August 24, 2005; August 18, 2006 and September 15, 2017.

Date of expiry of Company's existence: December 1st, 2091.

Controlling shareholder: Gasinvest S.A.

Registered address: Avda. Roque Sáenz Peña 938 – 3rd floor – City of Buenos Aires.

Main activity: investments in securities, real estate and financial activities.

Percentage of shares held by controlling shareholder: 56.354%.

Percentage of votes held by controlling shareholder: 56.354%.

Nominal Capital Structure

Classes of Shares	Subscribed and Paid-in	
	09.30.21	12.31.20
	Thousand \$	
Book-entry class A common shares, of \$1 par value each and entitled to one vote per share	179,264	179,264
Book-entry class B common shares, of \$1 par value each and entitled to one vote per share ⁽¹⁾	172,235	172,235
Book-entry class C common shares, of \$1 par value each and entitled to one vote per share ⁽²⁾	87,875	87,875
Total	439,374	439,374

⁽¹⁾ Authorized for public offering in Argentina and admitted for listing on Bolsas y Mercados Argentinos S.A.

⁽²⁾ Authorized for public offering in Argentina. Listed on Bolsas y Mercados Argentinos S.A.



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INTERIM CONDENSED BALANCE SHEETS AS OF SEPTEMBER 30, 2021 AND DECEMBER 31, 2020 ON A COMPARATIVE BASIS (in thousand pesos)

	Note	<u>09.30.2021</u>	<u>12.31.2020</u>
ASSETS			
Non-current assets			
Property, plant and equipment	5	66,236,364	72,488,099
Investments in affiliated companies	6	136,622	154,827
Materials and spare parts		1,793,851	2,003,686
Other accounts receivable		9,501	9,294
Trade accounts receivable	8	8,414,840	9,818,412
Investments at amortized cost	7	1,854	6,922
Investments at amortized cost of restricted availability	7	5,586,300	6,505,763
Total non-current assets		<u>82,179,332</u>	<u>90,987,003</u>
Current assets			
Materials and spare parts		332,582	205,008
Other accounts receivable		803,191	698,637
Trade accounts receivable	8	2,301,895	3,215,598
Investments at amortized cost	7	982,094	8,363
Investments at fair value	7	2,854,510	1,722,062
Cash and cash equivalents	7	3,465,733	4,221,114
Total current assets		<u>10,740,005</u>	<u>10,070,782</u>
Total assets		<u>92,919,337</u>	<u>101,057,785</u>



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INTERIM CONDENSED BALANCE SHEETS AS OF SEPTEMBER 30, 2021 AND DECEMBER 31, 2020 ON A COMPARATIVE BASIS (in thousand pesos)

	Note	<u>09.30.2021</u>	<u>12.31.2020</u>
SHAREHOLDERS' EQUITY			
Common stock		439,374	439,374
Common stock integral adjustment		25,786,942	25,786,942
Property, plant and equipment revaluation allowance		14,788,400	19,862,383
Statutory reserve		5,245,267	5,245,267
Optional reserve for working capital and liquidity coverage		23,534,343	15,753,326
Voluntary reserve for future dividends		434,322	434,322
Other reserves		(25,873)	11,743
Retained earnings		(1,591,510)	7,781,015
Total shareholders' equity		<u>68,611,265</u>	<u>75,314,372</u>
LIABILITIES			
Non-current liabilities			
Deferred income tax liability		14,914,334	12,011,111
Loans	9.1	5,404,563	6,625,823
Notes	9.2	-	668,819
Lease debts		2,473	15,665
Other debts		76,169	81,059
Trade accounts payable		203,609	313,716
Total non-current liabilities		<u>20,601,148</u>	<u>19,716,193</u>
Current liabilities			
Contingencies	10	160,392	218,593
Loans	9.1	561,393	747,177
Notes	9.2	1,050,107	1,458,525
Lease debts		4,875	17,398
Salaries and social security contributions		603,964	683,479
Income tax, payable		-	1,071,841
Taxes payable		198,105	273,676
Other debts		90,574	119,831
Trade accounts payable		1,037,514	1,436,700
Total current liabilities		<u>3,706,924</u>	<u>6,027,220</u>
Total liabilities		<u>24,308,072</u>	<u>25,743,413</u>
Total liabilities and shareholders' equity		<u>92,919,337</u>	<u>101,057,785</u>

The accompanying notes 1 to 16 are an integral part of these interim condensed financial statements.

Pablo Lozada
Regular Statutory Auditor

Emilio Daneri Conte-Grand
President



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**INTERIM CONDENSED STATEMENTS OF COMPREHENSIVE INCOME FOR THE NINE-MONTH PERIODS
ENDED SEPTEMBER 30, 2021 AND 2020 (in thousand pesos)**

	Note	Nine-month period ended		Three-month period ended	
		09.30.2021	09.30.2020	09.30.2021	09.30.2020
Revenues	11	13,880,484	20,375,278	4,343,930	6,007,677
Cost of service	12	(13,388,634)	(11,733,532)	(4,742,192)	(3,980,798)
Gross profit		491,850	8,641,746	(398,262)	2,026,879
Selling expenses	12	(548,538)	(1,081,457)	(183,730)	(290,824)
Administrative expenses	12	(1,965,036)	(1,951,705)	(633,089)	(783,841)
(Loss) income before other net income and expenses		(2,021,724)	5,608,584	(1,215,081)	952,214
Other net income and expenses	13	31,878	254,860	254,427	56,364
(Loss) income before financial income		(1,989,846)	5,863,444	(960,654)	1,008,578
Net financial income					
Other net financial income	14	3,076,430	2,378,226	770,486	997,551
Financial income	14	670,192	113,484	194,209	48,715
Financial expenses	14	(784,999)	(1,337,032)	(208,230)	(581,476)
(Loss) Gain on monetary position	14	(4,360,017)	(1,385,588)	(1,324,735)	(710,031)
Net financial (loss) income		(1,398,394)	(230,910)	(568,270)	(245,241)
Income from investments in affiliated companies	6	19,411	26,900	11,624	3,402
(Loss) income before income tax		(3,368,829)	5,659,434	(1,517,300)	766,739
Income tax					
Current		(393,439)	(2,219,161)	116,281	(386,303)
Deferred		(2,903,223)	898,632	514,462	446,869
Subtotal income tax		(3,296,662)	(1,320,529)	630,743	60,566
(Loss) income for the period		(6,665,491)	4,338,905	(886,557)	827,305
Items that will be reclassified through profit or loss					
Currency conversion of affiliated companies' financial statements	6	(37,616)	6,436	(17,369)	2,371
Items that will not be reclassified through profit or loss					
Property, plant and equipment revaluation allowance		-	(1,964,430)	-	-
Other comprehensive (loss) income for the period ⁽¹⁾		(37,616)	(1,957,994)	(17,369)	2,371
Comprehensive (loss) income for the period		(6,703,107)	2,380,911	(903,926)	829,676
Net income per share, basic and diluted		(15.1704)	9.8752	(2.0178)	1.8829

⁽¹⁾ Comprehensive income is shown net of income tax effect.

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INTERIM CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020 (in thousand pesos)

ITEM	Common stock	Common stock integral adjustment	Property, plant and equipment revaluation allowance	Statutory reserve	Optional reserve for working capital and liquidity coverage	Voluntary reserve for future dividends	Other reserves	Retained earnings	Total shareholders' equity
Balances as of December 31, 2019	439,374	25,786,942	32,403,744	5,245,267	2,437,051	434,322	(9,962)	13,316,273	80,053,011
Resolution at Ordinary Shareholders' Meeting dated May 22, 2020:									
Creation of Optional Reserve for working capital and liquidity coverage	-	-	-	-	13,316,275	-	-	(13,316,275)	-
Profit for the nine-month period ended September 30, 2020	-	-	-	-	-	-	-	4,338,905	4,338,905
Other comprehensive income	-	-	(4,465,527)	-	-	-	6,436	2,501,097	(1,957,994)
Balances as of September 30, 2020	439,374	25,786,942	27,938,217	5,245,267	15,753,326	434,322	(3,526)	6,840,000	82,433,922
Loss for the complementary three-month period ended December 31, 2020	-	-	-	-	-	-	-	(100,991)	(100,991)
Other comprehensive income	-	-	(8,075,834)	-	-	-	15,269	1,042,006	(7,018,559)
Balances as of December 31, 2020	439,374	25,786,942	19,862,383	5,245,267	15,753,326	434,322	11,743	7,781,015	75,314,372
Resolution at Ordinary Shareholders' Meeting dated April 14, 2021:									
Creation of Optional Reserve for working capital and liquidity coverage	-	-	-	-	7,781,017	-	-	(7,781,017)	-
Loss for the nine-month period ended September 30, 2021	-	-	-	-	-	-	-	(6,665,491)	(6,665,491)
Other comprehensive income	-	-	(5,073,983)	-	-	-	(37,616)	5,073,983	(37,616)
Balances as of September 30, 2021	439,374	25,786,942	14,788,400	5,245,267	23,534,343	434,322	(25,873)	(1,591,510)	68,611,265

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INTERIM CONDENSED STATEMENTS OF CASH FLOWS FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020 (in thousand pesos)

	Note	09.30.2021	09.30.2020
(Loss) Profit for the period		(6,665,491)	4,338,905
Adjustments to cash generated by (used in) operating activities:			
Property, plant and equipment depreciation	5	8,331,724	7,551,916
Residual value of property, plant and equipment written-off	5	15,956	24,408
Income tax		3,296,662	1,320,529
Accrued interest generated by liabilities	14	774,983	1,366,474
Accrued interest generated by assets	14	(670,192)	(113,484)
Increase in allowances and provisions (net of recoveries)		(78,380)	694,827
Income from derivative financial instruments	14	-	105,842
Exchange rate differences and other net financial income		486,697	(1,553,730)
Loss from investments in affiliated companies	6	(19,411)	(26,900)
Net changes in operating assets and liabilities:			
Decrease in trade accounts receivable		3,957,126	3,345,635
Decrease in other accounts receivable		178,146	459,662
Decrease (increase) in materials and spare parts		53,792	(354,102)
Decrease in trade accounts payable		(502,003)	(1,328,965)
Decrease in salaries and social security contributions		(79,515)	(176,350)
Increase (decrease) in taxes payable		201,723	(399,780)
Increase in derivative financial instruments		-	43,143
Decrease in other debts		(41,672)	(141,888)
Decrease in contingencies		(58,201)	(49,919)
Income tax payment		(1,764,354)	(3,185,670)
Net cash flow generated by operating activities		7,417,590	11,920,553
Net cash flow used in investing activities			
Acquisition of property, plant and equipment	5	(2,091,049)	(2,456,413)
Subscriptions net of redemption of investments at amortized cost and investments at fair value (non-cash equivalents)		1,695,461	2,543,706
Principal received from investments at amortized cost and investments at fair value		4,758	8,512
Interest received from investments at amortized cost and investments at fair value		3,462	7,360
Net cash flow used in investing activities		(387,368)	103,165
Net cash flow used in financing activities			
Taking of local loans in pesos	9.1	49,199	10,440,383
Issue of Notes	9.2	-	2,351,919
Payment of principal on Notes	9.2	(517,682)	-
Payment of interest on Notes	9.2	(449,033)	-
Payment of principal on local loans in pesos	9.1	(306,138)	(8,757,500)
Payment of interest on local loans in pesos	9.1	(227,274)	(710,206)
Payment of principal on Syndicated Loan	9.1	-	(6,150,337)
Payment of interest on Syndicated Loan	9.1	-	(368,465)
Payment of interest on Itaú Unibanco S.A. Nassau Branch loan	9.1	(52,720)	-
Lease payment		(13,542)	(14,886)
Net cash flow used in financing activities		(1,517,190)	(3,209,092)
Net Increase in cash and cash equivalents		5,513,032	8,814,626
Cash and cash equivalents at the beginning of fiscal year		4,221,114	3,959,873
Financial income generated by cash		(6,268,413)	(3,938,995)
Cash and cash equivalents at the end of period		3,465,733	8,835,504
Transactions not affecting cash:			
Right-of-use - property, plant and equipment through leases	5	(4,896)	(7,388)

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

1 – OVERVIEW

1.1 - Incorporation of the Company

Transportadora de Gas del Norte S.A. (the “Company” or “TGN”) was incorporated on November 24, 1992 as a result of the enactment of Laws No. 23,696 on State Reform and 24,076 (“Natural Gas Act”) and the issuance of National Executive Branch (“PEN”) Decree No. 1189/92 which regulates such act, whereby the privatization of the natural gas transportation and distribution services and the setting up of the companies that would receive the licenses to operate those services were established. The Company was granted a license (the “License”) pursuant to which TGN is authorized to provide the public service of natural gas transportation through the exclusive utilization of its two pipelines in the northern and central-western regions of Argentina.

1.2 – Effects of the economic emergency on the License

The License has been subject to a renegotiation process under the Public Emergency Law 25,561 (“LEP”), enacted in January 2002, which further established the pesification of the rates for natural gas transportation services within the domestic market and repealed the semi-annual adjustment mechanism based on the Producer Price Index. Under said legal framework and after more than thirteen years of rate freezing, in March 2017, the Company entered into an Agreement with the PEN toward amendment of its License (the “Comprehensive Agreement”), which was ratified and came into force with the enactment of Decree No. 251 on March 27, 2018. This put an end to the renegotiation process conducted under the LEP. The Comprehensive Agreement covers the contractual period from January 6, 2002 to the end of the License.

The Comprehensive Agreement requires the Company to hold the National Government harmless from and against any arbitration awards obtained by former shareholders CMS and Total prior to the execution of the Comprehensive Agreement. The amount of that indemnity, to be determined, will not include the proportional reduction percentage established under the respective payment agreements, will exclude default interest accrued against the National Government, and will be calculated at its present value. By way of illustration, the amounts awarded are as follows: CMS Gas Transmission Company v. Argentine Republic (Case No. ARB/01/8 in favour of CMS for US\$ 133.2 million, dated May 12, 2005) and Total S.A. v. Argentine Republic (Case No. ARB/04/1 in favour of Total for US\$ 85.2 million, dated November 27, 2013).

TGN shall indemnify the National Government -for such amount to be determined based on the above - only through sustainable investments, additional to those established by the National Gas Regulatory Entity (“ENARGAS”) as mandatory investments in gas pipelines and complementary facilities in “Neuquina Basin”. These investments shall not form part of the Company’s rate base.

Furthermore, the Comprehensive Agreement, which came into force in March 2018 for the 2017 – 2021 period, established rules for the conduct of TGN rate review. (See Note 1.3.2).



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

1 – OVERVIEW (Cont.)

1.2 –Effects of the economic emergency on the License (Cont.)

The Social Solidarity and Productive Reactivation under the Public Emergency Framework Law No. 27,541 (the “Solidarity Law”), enacted in December 2019, empowered the PEN to freeze natural gas rates that are under federal jurisdiction, and to start renegotiating the comprehensive rate review in force, or else a rate review of an exceptional nature, in the terms of the Natural Gas Act, for a maximum term of up to 180 days, aimed at reducing the actual rate burden on household, commercial and industrial users in 2020. The PEN was further empowered to administratively intervene ENARGAS for a one-year term. Indeed, on March 16, 2020 the PEN instructed the intervention of the ENARGAS for a term successively extended until December 31, 2021, entrusting the comptroller to conduct a legal, technical and economic audit of all aspects regulated under the Solidarity Law in energy matters, and to prepare a report to be submitted to the PEN. The rate freeze established under the Solidarity Law was successively extended until March 17, 2021 by means of Necessity and Urgency Decrees No. 543/20 and 1020/20. (See Note 1.3.2), respectively.

1.3 - Regulatory framework

1.3.1 - General

The Natural Gas Act and its regulations, together with the License, the Transfer Agreement, the Bidding Terms and Conditions for the privatization of Gas del Estado S.E. and the resolutions adopted by ENARGAS establish the legal framework pursuant to which the Company carries out its business. The License was granted for an initial term of 35 years, which expires in December 2027. However, the Natural Gas Act and the License provide that the Company may request from ENARGAS an extension of the License for an additional ten-year term. At that time ENARGAS is required to evaluate the Company’s performance and make a recommendation to the National Executive Branch. The request for extension may be filed not less than 18 months nor more than 54 months prior to the expiration date of the initial term.

1.3.2 - 2017 comprehensive rate review

From April 2014 to December 2017 TGN received successive interim rate increases until March 2018 when ENARGAS approved the rates resulting from the Comprehensive Rate Review (“CRR”) conducted by ENARGAS starting in March 2016. Additionally, the CRR provides that between April 1, 2017 and March 31, 2022, the Company must implement a Mandatory Investment Plan (“MIP”) for approximately \$ 5.6 billion (expressed in December 2016 currency), which amount shall be adjusted in line with TGN rates. The Company is bound to both invest the amount committed and to carry out those works described under the MIP.

The regulatory framework provides for non-automatic semi-annual transportation rate procedures for rate reviews, due to changes experienced in the cost of the service, in order to maintain the economic-financial balance and quality of the service.



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1 – OVERVIEW (Cont.)

1.3 - Regulatory framework (Cont.)

1.3.2 - 2017 comprehensive rate review (Cont.)

In June 2019, the Government Energy Secretariat (the “Energy Secretariat”) established, through Resolution No. 336/2019, on an exceptional basis, for the benefit of residential users of natural gas and undiluted propane through networks, a 22% payment deferral for invoices issued from July 1, 2019 to October 31, 2019. Said deferral has been invoiced in five monthly, equal consecutive periods starting on December 1, 2019. The financial cost of the deferral is borne by the National Government by way of subsidy through payment of interest to distributors, sub-distributors, transporters and producers, based on the interest rate for 30- or 35-day term deposits for \$ 20 million and higher amounts, published by the Central Bank of Argentina. As of the date hereof, the Company has already collected the full deferred amount. As for the subsidy related to the financial cost of the deferral, on March 20, 2021, by means of Resolution No. 220/2021, the Energy Secretariat established for TGN an amount of \$ 153 million, which was collected on April 22 this year.

In September 2019, the Energy Secretariat passed Resolution No. 521/2019 (amended by Resolution No. 751/2019) deferring the semi-annual rate adjustment that should have been applied effective October 1, 2019, until February 1, 2020, and further established that licensees would be compensated with the MIP review to the extent of the lower revenues derived from said measure. Consequently, between October and December 2019 the Company submitted proposals to ENARGAS for adjusting the MIP for an amount of \$ 459.2 million (at December 2016 currency). However, upon enactment of the Solidarity Law, the national government announced its intention to suspend rate adjustments for natural gas and electricity transportation and distribution utility services under federal jurisdiction for 180 days, to start renegotiating the CRR in place since 2017, or embark on a rate review of an exceptional nature. On June 18, 2020, the PEN enacted Decree No. 543/20 extending once again the rate freeze established under the Solidarity Law for another 180 running days.

On November 20, 2020, ENARGAS comptroller submitted a report to the National Energy Secretary and Minister of Economy with the results of the audit and CRR, concluding that the latter would have been affected by serious flaws that could render it null and void and that, in his opinion, would have had a negative impact on the rates paid by users, as a result of which he proposed to opt for the CRR renegotiation alternative foreseen in section 5 of the Solidarity Law. The Company, which received notice of said report on January 7, 2021, disagrees with said conclusions as it considers that the CRR was a valid procedure under the applicable legislation that gave rise to fair and reasonable transportation rates, as required under the Natural Gas Act.



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1 – OVERVIEW (Cont.)

1.3 - Regulatory framework (Cont.)

1.3.2 – 2017 Comprehensive rate review (Cont.)

Following ENARGAS comptroller's recommendation, on December 17, 2020, the PEN passed Decree No. 1020/20 instructing to suspend the Comprehensive Agreement to the extent to be established by ENARGAS, to start the CRR renegotiation as established in section 5 of the Solidarity Law and to complete the renegotiation process no later than December 17, 2022. Said process must end with the execution of a final agreement with natural gas transportation and distribution licensees regarding the CRR, with ENARGAS being authorized to apply interim rate adjustments to assure the normal and continued provision of the utility service. Said decree further provides that if no final agreement is reached, the ENARGAS shall enact, *ad referendum* of the PEN, a new rate regime for natural gas transportation and distribution utility services. Hence, on February 22, 2021, ENARGAS passed Resolution No. 47/21 convening a public hearing that took place on March 16, 2021, to discuss the interim rate regime foreseen in Decree 1020/20. Said resolution envisages that any interim rate increase must be endorsed by an agreement to be entered into between licensees and ENARGAS, and further that during the effective term of the interim rate regime licensees will not be allowed to distribute dividends, directly or indirectly prepay financial and commercial liabilities with shareholders, acquire other companies or grant loans, without ENARGAS express authorization.

On March 27, 2021, ENARGAS offered gas distribution and transportation licensees to enter into interim rate adjustment agreements in exchange for their commitment not to bring claims based on the rate freezing established under the Solidarity Law. As such proposal was equal to zero for TGN, the Company declined to enter into said agreement, though it agreed to embark on the CRR renegotiation process established under Decree 1020/20, making reservation of its rights and actions.

On June 1 the Company received notice of certain resolutions passed by the Ministry of Economy ("MECON") as well as the ENARGAS, all of them validated by a presidential decree, whereby an Interim Rate Regime ("IRR") was put in force.

The IRR involves that: (i) TGN rates will remain frozen, (ii) the Company will have to continue to render the gas transportation service, (iii) the ban on distributing dividends, prepaying loans with shareholders and acquiring companies or granting loans (except to users or contractors other than the Company's shareholders), without ENARGAS previous approval, will remain in place, and (iv) no mandatory investment plan applies during the IRR. The IRR also provides for the possibility that ENARGAS adjusts TGN rates as from April 1, 2022.



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1 – OVERVIEW (Cont.)

1.3 - Regulatory framework (Cont.)

1.3.2 - 2017 comprehensive rate review (Cont.)

On June 30, 2021, the Company filed an appeal at administrative level against Decree 1020/20, MECON and ENARGAS Joint Resolution 2/21 whereby the IRR was approved subject to further approval by the PEN, Decree 353/21 which ratified Joint Resolution 2 and ENARGAS Resolution 150/21 whereby the IRR rate charts were put into force. In line with the express provisions of the Gas Act (article 48) and the “Basic Rules of the Transportation License” (item 9.8), the Company believes that the cost of any subsidy to natural gas users must be borne by the National Treasury, and not TGN, or otherwise TGN must be compensated by the PEN. The Company also believes that neither the PEN, MECON nor ENARGAS have the authority to place the bans imposed by the IRR.

1.4 – Current economic context

In addition to the rate issue mentioned earlier, worth noting is the fact that the Company operates within a complex economic context where main variables have recently experienced a strong volatility.

The outbreak of the pandemic associated with the Coronavirus in March 2020 has brought about significant consequences at global level. Most countries around the world have imposed a number of restrictions of a kind never seen before. Several of the sanitary restrictions adopted have had, to a greater or lesser extent, an almost immediate impact on the economies, which saw a rapid drop in their production and activity indicators. In response to this situation, most governments have implemented aid packages designed to support part of the population income and reduce the risk of disruption in payment flows, by avoiding financial and economic crises, as well as corporate bankruptcies. Argentina was no exception. The government took action shortly after the pandemic was declared. The Argentine economy was already in a state of recession, restructuring its debt both with private investors and international entities, and the outbreak of the pandemic in March 2020 only made matters worse.

Argentina’s main macroeconomic indicators are:

- The Gross Domestic Product (“GDP”) drop in 2020 has been 9.9%.
- Primary fiscal deficit for 2020 was 6.5% of the GDP, while the financial deficit reached 8.5% of the GDP.
- Cumulative inflation between January 1, 2021 and September 30, 2021 reached 36.96% as shown by the Consumer Price Index published by the National Institute of Statistics and Census (“INDEC”).
- From January 1 to September 30, 2021, the peso depreciated 17.34% against the US dollar, as shown by the exchange rate published by Banco de la Nación Argentina.

As of the date of issue of these interim condensed financial statements the 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 interim condensed financial statements should be read in the light of said circumstances.



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

2 – BASIS OF PREPARATION AND PRESENTATION

These interim condensed financial statements for the nine-month period ended September 30, 2021 have not been audited. The Company's Management believes that all adjustments necessary have been made to reasonably present the results for the period. The results for the nine-month period ended September 30, 2021 do not necessarily reflect how the Company's full year results will evolve. In addition, these interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 ("Interim Financial Reporting").

The National Securities Commission ("CNV") under Title IV "Periodic Reporting Regime", Chapter III "Regulations relative to the manner of presentation and valuation criteria for financial statements" – Article 1 of its regulations, has established the application of Technical Resolution No. 26 of the Argentine Federation of Professional Councils in Economic Sciences ("FACPCE"), as amended, which adopts International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB"), to certain entities encompassed by the public offering regime of Law No. 26,831, either because of their capital or negotiable obligations, or because those entities have requested authorization to be encompassed by said regime. Furthermore, the provisions of ENARGAS Resolution No. 1660/00 (as amended by Resolution No. 1903/00, also enacted by ENARGAS) regulating certain valuation and disclosure criteria for the regulated natural gas transportation and distribution activity have been applied. These criteria are similar to those established by IFRS. If applicable, certain amounts from prior years' interim condensed financial statements have been reclassified in order to compare them to those of this period.

These interim condensed financial statements, which were approved for their release by the Company's Board on November 9, 2021, should be read together with the audited financial statements as of December 31, 2020, which have been prepared in accordance with IFRS. These interim condensed financial statements have been prepared following the same accounting policies applied in preparing the audited financial statements as of December 31, 2020.

These interim condensed financial statements have been prepared based on the historic cost, in the measuring unit applicable as of the closing date of the reporting period, except for the revaluation of financial assets and liabilities (including derivative instruments), for which the fair value approach has been used, with the variation shown in the interim condensed statement of comprehensive income.

2.1 – Changes in Interpretation and Accounting Standards

a) New accounting standards, amendments and interpretations issued by IASB applicable as from September 30, 2021, adopted by the Company

There are no new accounting standards, interpretations and/or amendments effective as of this fiscal year which may have a significant impact on the Company's financial statements.

b) New accounting standards, amendments and interpretations issued and not yet effective for the current fiscal year

There are no new accounting standards, interpretations and/or amendments issued and not yet effective for this fiscal year which may have a significant impact on the Company's financial statements.



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2 – BASIS OF PREPARATION AND PRESENTATION (Cont.)

2.2 - Change in the income tax rate

By means of Decree No. 387/2021 dated June 16, 2021, the PEN passed Law No. 27630 which establishes a new tiered structure of income tax rates, with three segments according to the cumulative taxable net income level. The new tax rates are as follows:

- 25% for cumulative taxable net income of up to \$5 million;
- \$ 1.25 million plus 30% over the excess of \$ 5 million for taxable income above that amount and up to \$ 50 million.;
- \$ 14.75 million plus 35% over the excess of \$ 50 million for taxable income above that amount.

Said change will be applicable to fiscal years starting as of January 1, 2021.

Consequently, these interim condensed financial statements reflect such change. Current tax shows a higher charge of \$ 108,574, while deferred net assets and liabilities record a higher charge of \$ 4,261,238, based on the actual rate expected to be applicable as of the probable rate of reversal of those deferred assets and liabilities.

3 – FINANCIAL RISK MANAGEMENT

Except as mentioned below, as of September 30, 2021 no other significant variations in financial risks have been identified with respect to Note 3 to the Company's Financial Statements as of December 31, 2020

3.1 – Currency Risks

The potential impact on the statement of comprehensive income and the statement of changes in shareholders' equity as of September 30, 2021 resulting from each percentage point of depreciation or appreciation of the peso against the US dollar would account for an approximate loss or gain, as applicable, of \$ 79.5 million, provided the other economic and financial variables affecting the Company remain stable. This sensitivity analysis is based on reasonable assumptions and information. Yet, actual results might significantly differ from such analysis.

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3 – FINANCIAL RISK MANAGEMENT (Cont.)

3.1 – Currency Risks (Cont.)

Foreign Currency denominated Assets and Liabilities

	09.30.21			12.31.20	
	Amount and type of foreign currency ⁽¹⁾	Current trading price in \$	Amount in local currency ⁽¹⁾	Amount and type of foreign currency ⁽¹⁾	Amount in local currency ⁽¹⁾
ASSETS					
NON-CURRENT ASSETS					
Trade accounts receivable (Note 8)					
Trade accounts receivable with third parties	US\$ 189,378	98.54	18,661,293	US\$ 189,378	21,773,942
			18,661,293		21,773,942
Investments at amortized cost of restricted availability (Note 7)					
Investments at amortized cost of restricted availability	US\$ 56,691	98.54	5,586,300	US\$ 56,584	6,505,763
			5,586,300		6,505,763
Total non-current assets			24,247,593		28,279,705
CURRENT ASSETS					
Other accounts receivable					
Other sundry accounts receivable	US\$ 364	98.54	35,878	US\$ 435	49,957
Other receivables with controlling company	US\$ 4	98.54	404	US\$ 19	2,235
Other receivables with affiliated companies			-	US\$ 16	1,087
	R\$ 107	18.00	1,929	R\$ 106	3,051
			38,211		56,330
Trade accounts receivable					
Trade accounts receivable with third parties	US\$ 2,503	98.54	246,642	US\$ 3,292	378,501
Trade accounts receivable with related parties	US\$ 78	98.54	7,711	US\$ 61	7,000
Trade accounts receivable with affiliated companies (Note 8)	US\$ 13	98.54	1,279	US\$ 31	3,628
			255,632		389,129
Investments at fair value (Note 7)					
Government bonds in US\$			-	US\$ 1,636	188,093
			-		188,093
Cash and cash equivalents					
Bank balances	US\$ 86	98.54	8,429	US\$ 48	5,502
			8,429		5,502
Total current assets			302,272		639,054
Total assets			24,549,865		28,918,759



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

3 – FINANCIAL RISK MANAGEMENT (Cont.)

3.1 – Currency Risks (Cont.)

Foreign Currency denominated Assets and Liabilities (Cont.)

	09.30.21			12.31.20	
	Amount and type of foreign currency ⁽¹⁾	Current trading price in \$	Amount in local currency ⁽¹⁾	Amount and type of foreign currency ⁽¹⁾	Amount in local currency ⁽¹⁾
LIABILITIES					
NON-CURRENT LIABILITIES					
Loans (Note 9.1)					
Loan with Itaú Unibanco S.A. Nassau Branch	US\$ 54,735	98.74	5,404,563	US\$ 54,551	6,287,034
Total Non-current assets			5,404,563		6,287,034
CURRENT LIABILITIES					
Trade accounts payable					
Suppliers - goods and services	US\$ 436	98.74	43,019	US\$ 694	79,957
Unbilled Goods and Services	US\$ 2,731	98.74	269,687	US\$ 1,976	227,790
	£ 148	133.19	19,668	£ 36	5,587
	€ 66	114.36	7,582	€ 20	2,847
			339,956		316,181
Loans					
Itaú Unibanco S.A. Nassau Branch Loan	US\$ 422	98.74	41,711	US\$ 187	21,570
			41,711		21,570
Total Current Liabilities			381,667		337,751
Total Liabilities			5,786,230		6,624,785

US\$: US Dollars

£: Pound sterling

€: Euros

R\$: Brazilian Reais

⁽¹⁾ Does not include allowances, provisions or discounts at present value.



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3 – FINANCIAL RISK MANAGEMENT (Cont.)

3.2 – Price risks

The Company is exposed to the risk of price fluctuations in investments held and classified in its balance sheet as at fair value through profit or loss. To manage the its exposure to price risks, the Company has a diversified portfolio. Portfolio diversification is subject to the restrictions established in TGN's investment policy.

The potential impact on the statement of comprehensive income and the statement of changes in shareholders' equity as of September 30, 2021, resulting from each percentage point increase or decrease in the average quotation of the fair value investment portfolio, would approximately represent a gain or loss, as applicable, of \$ 49 million, provided the other economic-financial variables affecting the Company remained stable. This sensitivity analysis is based on reasonable assumptions and information. Yet, actual results might significantly differ from said analysis.

3.3 – Interest rate risks on fair value and cash flows

The Company's financial liabilities denominated in local currency amount to \$ 1.5 billion, which accrue a BADLAR variable interest rate plus a fixed margin. The potential impact on the statement of comprehensive income and the statement of changes in shareholders' equity as of September 30, 2021, resulting from each percentage point increase or decrease in BADLAR rate, would approximately represent a pre-tax gain or loss per annum, as applicable, of \$ 15 million, provided the other economic-financial variables affecting the Company remain stable. This sensitivity analysis is based on reasonable assumptions and information. Yet, actual results might significantly differ from said analysis.

TGN manages the risk of changes in BADLAR rate by investing part of its liquidity in instruments at said rate so as to diminish the impact a volatility in such rate could have on the statement of comprehensive income and statement of changes in shareholders' equity.

4 – SEGMENT INFORMATION

Segment information is presented in a manner consistent with the internal reporting submitted to the Chief Operating Decision Maker ("CODM"). The Company's General Director has been identified as CODM. The management information used by the CODM for decision making is prepared on a quarterly basis, in million Pesos, and does not include any breakdown by business segment, which means that the information is presented as a single segment, and reflects the Company as a whole. It has been determined that the representative measure used for decision making by the CODM is the "management EBITDA", together with acquisition of "Property, plant and equipment". Here is the information provided to the CODM (in million Pesos):

	<u>09.30.2021</u>	<u>09.30.2020</u>
Revenues	13,880	20,375
Cost of service	(7,570)	(7,215)
Management EBITDA	<u>6,310</u>	<u>13,160</u>
Acquisition of "Property, plant and equipment"	<u>2,096</u>	<u>2,464</u>



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4 – SEGMENT INFORMATION (Cont.)

The reconciliation of management EBITDA to net income, before income tax is shown below:

	<u>09.30.2021</u>	<u>09.30.2020</u>
Management EBITDA in million pesos	6,310	13,160
“Property, plant and equipment” depreciation	(8,332)	(7,552)
Other net income and expenses	32	255
Net financial income	(1,398)	(231)
Income (loss) from investments in affiliated companies	19	27
(Loss) Income before income tax	<u>(3,369)</u>	<u>5,659</u>



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)
5 – PROPERTY, PLANT AND EQUIPMENT

	09.30.2021						Depreciation				Resulting Net		
	At the beginning of fiscal year	Additions	Disposals	Transfers	Impairment	At the end of period	At the beginning of fiscal year	Period	Disposals	At the end of period	09.30.2021	12.31.2020	09.30.2020
Essential assets:													
Gas pipelines and branch lines	52,198,160	-	-	1,624,988	-	53,823,148	-	6,478,600	-	6,478,600	47,344,548	52,198,160	61,122,651
Compressor plants	7,536,582	-	(10,982)	253,709	-	7,779,309	-	1,190,186	(2,460)	1,187,726	6,591,583	7,536,582	9,179,330
Meter and regulating stations	1,043,143	-	-	68,058	-	1,111,201	-	75,064	-	75,064	1,036,137	1,043,143	1,234,036
SCADA system	1,133,813	-	-	310,293	-	1,444,106	-	178,497	-	178,497	1,265,609	1,133,813	1,241,315
Gas inventory	1,305,942	-	-	-	-	1,305,942	-	-	-	-	1,305,942	1,305,942	1,496,607
Lands	73,429	-	-	64	-	73,493	-	-	-	-	73,493	73,429	84,085
Buildings and civil construction works	1,423,253	-	-	3,878	-	1,427,131	-	70,399	-	70,399	1,356,732	1,423,253	1,640,462
Other technical installations	1,093,973	-	-	227,482	-	1,321,455	-	123,915	-	123,915	1,197,540	1,093,973	1,308,404
Sub-total essential assets	65,808,295	-	(10,982)	2,488,472	-	68,285,785	-	8,116,661	(2,460)	8,114,201	60,171,584	65,808,295	77,306,890
Other revalued assets													
Lands	37,577	-	-	-	-	37,577	-	-	-	-	37,577	37,577	43,354
Buildings and civil construction works	427,291	-	-	1,638	-	428,929	-	28,302	-	28,302	400,627	427,291	492,499
Sub-total other revalued assets	464,868	-	-	1,638	-	466,506	-	28,302	-	28,302	438,204	464,868	535,853
Total revalued assets	66,273,163	-	(10,982)	2,490,110	-	68,752,291	-	8,144,963	(2,460)	8,142,503	60,609,788	66,273,163	77,842,743
Non-essential assets:													
Building installations	236,891	42	-	-	-	236,933	68,352	9,340	-	77,692	159,241	168,539	165,343
Machinery, equipment and tools	734,025	7,686	(402)	-	-	741,309	589,133	28,485	(221)	617,397	123,912	144,892	129,959
Other technical installations	1,034,820	19,164	-	-	-	1,053,984	759,499	58,497	-	817,996	235,988	275,321	256,057
Communication equipment and devices	114,875	235	-	-	-	115,110	89,293	5,522	-	94,815	20,295	25,582	31,301
Vehicles	692,417	21,237	(3,774)	-	-	709,880	474,835	64,500	(3,522)	535,813	174,067	217,582	239,099
Furniture and fixtures	371,844	13,392	-	-	-	385,236	315,120	4,481	-	319,601	65,635	56,724	58,724
Right of use	64,524	4,896	-	-	-	69,420	43,697	15,936	-	59,633	9,787	20,827	24,481
Works in progress	5,305,469	2,029,293	(7,001)	(2,490,110)	-	4,837,651	-	-	-	-	4,837,651	5,305,469	4,976,331
Sub-total non-essential assets	8,554,865	2,095,945	(11,177)	(2,490,110)	-	8,149,523	2,339,929	186,761	(3,743)	2,522,947	5,626,576	6,214,936	5,881,295
Balances as of September 30, 2021	74,828,028	2,095,945	(22,159)	-	-	76,901,814	2,339,929	8,331,724	(6,203)	10,665,450	66,236,364	-	-
Balances as of December 31, 2020	93,623,039	3,546,247	(215,831)	-	(11,997,629)	84,955,826	2,161,931	10,335,524	(29,728)	12,467,727	-	72,488,099	-
Balances as of September 30, 2020	93,623,039	2,463,801	(54,036)	-	(2,624,547)	93,408,257	2,161,931	7,551,916	(29,628)	9,684,219	-	-	83,724,038



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5 – PROPERTY, PLANT AND EQUIPMENT (Cont.)

5.1 – Commitments

As of September 30, 2021, the Company has firm contractual commitments with suppliers for the acquisition of Property, plant and equipment for 839,075.

6 – INVESTMENTS IN AFFILIATED COMPANIES

	<u>09.30.2021</u>	<u>12.31.2020</u>
Balance at the beginning of fiscal year	154,827	112,600
Income from investments in affiliated companies ¹	19,411	20,522
Conversion difference allocated to <i>Other comprehensive income</i>	(37,616)	21,705
Balance at the end of period	<u>136,622</u>	<u>154,827</u>



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6 – INVESTMENTS IN AFFILIATED COMPANIES (Cont.)

The interest held by the Company in its unlisted affiliated companies was as follows:

Issuer	Description		Amount	Cost	Book value as of		Information on issuer						
	Shares	Face Value			09.30.21	12.31.20	Main Activity	Most Recent Financial Statements					
								Date	Capital Stock and Capital Adjustment	Other Reserves	Retained Earnings	Shareholders' Equity	Percentage of Direct Interest
Comgas Andina S.A.	Common	(1) 1 per share	490	246	135,208	151,871	Gas pipeline operation and maintenance service	09.30.21	192	-	275,741	275,933	49.0
Companhia Operadora do Rio Grande do Sul	Common	(2) 1 per share	49	0.1	1,414	2,956	Gas pipeline operation and maintenance service	09.30.21	2	7,237	(4,354)	2,885	49.0
Total					136,622	154,827							

(1) Chilean pesos

(2) Brazilian Reais

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

7 – FINANCIAL INSTRUMENTS BY CATEGORY

	<u>09.30.2021</u>	<u>12.31.2020</u>
Financial assets at fair value ⁽¹⁾:		
Current:		
Classified as “Investments at fair value”:		
Mutual funds in \$	678,556	568,905
Government bonds in \$	2,175,954	965,064
Government bonds in US\$	-	188,093
Subtotal	<u>2,854,510</u>	<u>1,722,062</u>
Classified as “Cash and cash equivalents”:		
Mutual funds in \$	<u>2,006,786</u>	<u>1,857,118</u>
Subtotal	<u>2,006,786</u>	<u>1,857,118</u>
Total financial assets at fair value - Current	<u>4,861,296</u>	<u>3,579,180</u>
Financial assets at amortized cost:		
Current:		
Classified as “Investments at amortized cost”:		
VRD bonds in \$	4,462	8,363
T-BILLS in \$	<u>977,632</u>	<u>-</u>
Subtotal	<u>982,094</u>	<u>8,363</u>
Classified as “Cash and cash equivalents”:		
Cash and banks	73,813	11,057
Term deposits in \$ ⁽²⁾	-	505,323
Surety bonds in \$ ⁽²⁾	1,385,134	1,714,271
T-BILLS in \$ ⁽²⁾	<u>-</u>	<u>133,345</u>
Subtotal	<u>1,458,947</u>	<u>2,363,996</u>
Classified as “Trade accounts receivable” and “Other accounts receivable”	<u>2,863,391</u>	<u>3,567,395</u>
Total financial assets at amortized cost - Current	<u>5,304,432</u>	<u>5,939,754</u>

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7 – FINANCIAL INSTRUMENTS BY CATEGORY (Cont.)

Financial assets at amortized cost (Cont.):

	<u>09.30.2021</u>	<u>12.31.2020</u>
Non-Current:		
Classified as “Investments at amortized cost”:		
VRD bonds in \$	1,854	6,922
Subtotal	<u>1,854</u>	<u>6,922</u>
Classified as “Investments at amortized cost of restricted availability”:		
Term deposit in US\$ of restricted availability	5,586,300	6,505,763
Subtotal	<u>5,586,300</u>	<u>6,505,763</u>
Classified as “Trade accounts receivable” and “Other accounts receivable”	8,424,341	9,827,706
Total financial assets at amortized cost – Non-Current	<u>14,012,495</u>	<u>16,340,391</u>

Financial liabilities at amortized cost:

Current:

Loans	561,393	747,177
Notes	1,050,107	1,458,525
Trade accounts payable, other debts and lease debt	1,132,963	1,573,929
Total financial liabilities at amortized cost – Current	<u>2,744,463</u>	<u>3,779,631</u>

Non-Current:

Loans	5,404,563	6,625,823
Notes	-	668,819
Trade accounts payable, other debts and lease debt	282,251	410,440
Total financial liabilities at amortized cost – Non-Current	<u>5,686,814</u>	<u>7,705,082</u>

⁽¹⁾ Financial assets at fair value, except for derivative financial instruments, have been measured using Level 1 fair values. The value of financial instruments traded on active markets is based on quoted market prices as of the date of the interim condensed financial statements. The quoted market price used for financial assets held by the Company is the ask price as of September 30, 2021 and December 31, 2020.

⁽²⁾ Investments originally falling due within three months or less are classified as “Cash and cash equivalents” in the balance sheet.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

8 – TRADE ACCOUNTS RECEIVABLE

	<u>09.30.2021</u>	<u>12.31.2020</u>
Non-current		
Trade accounts receivable - third parties	18,661,293	21,773,942
Allowance for doubtful accounts and disputed amounts	(10,246,453)	(11,955,530)
Total trade accounts receivable – Non-current	<u>8,414,840</u>	<u>9,818,412</u>
Current		
Trade accounts receivable - third parties	2,424,586	3,590,618
Trade accounts receivable – other related parties (Note 15)	343,340	398,735
Trade accounts receivable – affiliated companies (Note 15)	1,279	3,628
Allowance for doubtful accounts and disputed amounts	(467,310)	(777,383)
Total trade accounts receivable - Current	<u>2,301,895</u>	<u>3,215,598</u>

9 – INDEBTEDNESS

9.1 – Changes in Loans

	<u>09.30.2021</u>	<u>09.30.2020</u>
<u>Non-Current:</u>		
Balance at the beginning of fiscal year	6,625,823	-
Transfer from current	-	936,542
Transfer to current	(314,367)	-
Accrual of interest on Itaú Unibanco S.A. Nassau Branch loan	19,542	(25,627)
Exchange rate difference on Itaú Unibanco S.A. Nassau Branch loan	946,392	-
Loss on monetary position	(1,872,827)	(34,783)
Balance at the end of period	<u>5,404,563</u>	<u>876,132</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

9 – INDEBTEDNESS (Cont.)

9.1 – Changes in Loans (Cont.)

	<u>09.30.2021</u>	<u>09.30.2020</u>
<u>Current:</u>		
Balance at the beginning of fiscal year	747,177	13,498,957
Accrual of interest on Syndicated Loan	-	405,648
Exchange difference on Syndicated Loan	-	2,067,533
Payment of principal on Syndicated Loan	-	(6,150,337)
Payment of interest on Syndicated Loan	-	(368,465)
Accrual of interest on Itaú Unibanco S.A. Nassau Branch loan	76,656	-
Exchange rate difference on Itaú Unibanco S.A. Nassau Branch loan	4,593	-
Payment of interest on Itaú Unibanco S.A. Nassau Branch loan	(52,720)	-
Taking of local loans in pesos	49,199	10,440,383
Transfer to non-current	-	(936,542)
Transfer from non-current	314,367	-
Accrual of interest on local loans in pesos	219,770	766,442
Payment of principal on local loans in pesos	(306,138)	(8,757,500)
Payment of interest on local loans in pesos	(227,274)	(710,206)
Loss on monetary position	(264,237)	(2,288,802)
Balance at the end of period	<u>561,393</u>	<u>7,967,111</u>

9.2 – Changes in Notes

<u>Non-current:</u>		
Balance at the beginning of fiscal year	668,819	-
Transfer from current	-	1,567,946
Transfer to current	(620,608)	-
Accrual of interest on Notes	-	(20,737)
Loss on monetary position	(48,211)	(42,620)
Balance at the end of period	<u>-</u>	<u>1,504,589</u>

<u>Current:</u>		
Balance at the beginning of fiscal year	1,458,525	-
Issue of Notes	-	2,351,919
Transfer from non-current	620,608	-
Transfer to non-current	-	(1,567,946)
Accrual of interest on Notes	449,612	98,993
Payment of interest on Notes	(449,033)	-
Payment of principal on Notes	(517,682)	-
Loss on monetary position	(511,923)	(22,760)
Balance at the end of period	<u>1,050,107</u>	<u>860,206</u>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

10 - CONTINGENCIES

Provision for labour, civil and administrative lawsuits	<u>Current</u>
Balance as of December 31, 2019	289,276
– Increases	11,420
– Decreases (payments / uses)	(8,421)
– Loss on monetary position	(52,918)
Balance as of September 30, 2020	<u>239,357</u>
– Increases	3,613
– Decreases (payment / uses)	(22)
– Loss on monetary position	(24,355)
Balance as of December 31, 2020	<u>218,593</u>
– Increases	4,785
– Decreases (payments / uses)	(4,072)
– Loss on monetary position	(58,914)
Balance as of September 30, 2021	<u>160,392</u>

11 - REVENUES

	<u>For the nine-month period as of</u>		<u>For the three-month period as of</u>	
	<u>09.30.2021</u>	<u>09.30.2020</u>	<u>09.30.2021</u>	<u>09.30.2020</u>
Gas transportation service	13,073,241	19,385,913	4,194,398	5,731,413
Gas pipeline operation and maintenance and other services	<u>807,243</u>	<u>989,365</u>	<u>149,532</u>	<u>276,264</u>
Total revenues	<u>13,880,484</u>	<u>20,375,278</u>	<u>4,343,930</u>	<u>6,007,677</u>



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

12 – EXPENSES BY NATURE

Item	For the nine-month period as of 09.30						Total as of 09.30.2021	Total as of 09.30.2020
	Cost of service		Selling expenses		Administrative expenses			
	2021	2020	2021	2020	2021	2020		
Directors' fees	-	-	-	-	32,228	33,114	32,228	33,114
Supervisory Committee's fees	-	-	-	-	9,237	9,285	9,237	9,285
Fees for professional services	67,644	97,559	958	2,023	201,603	105,191	270,205	204,773
Salaries, wages and other personnel benefits	1,499,931	1,395,359	34,471	33,873	566,789	546,428	2,101,191	1,975,660
Social security contributions	318,480	279,911	8,313	6,834	133,508	126,251	460,301	412,996
Materials and spare parts	633,856	444,391	-	-	5,038	28,001	638,894	472,392
Third party services and supplies	160,365	165,325	338	531	4,602	6,418	165,305	172,274
Maintenance and repair of property, plant and equipment	2,054,749	1,563,222	1,298	7,566	49,409	29,159	2,105,456	1,599,947
Travel expenses	143,029	110,005	965	852	13,397	13,347	157,391	124,204
Freight and transportation	29,834	21,494	-	-	44	2	29,878	21,496
Post and telecommunication expenses	14,491	14,000	964	878	13,085	10,635	28,540	25,513
Insurance	217,752	206,751	22	21	12,356	11,416	230,130	218,188
Office supplies	11,629	13,289	36	813	21,374	25,054	33,039	39,156
Rentals	43,627	43,887	278	520	14,287	16,136	58,192	60,543
Easements	60,431	44,836	-	-	-	-	60,431	44,836
Taxes, rates and contributions	5,073	5,207	495,976	707,563	623,230	674,632	1,124,279	1,387,402
Property, plant and equipment depreciation	8,087,432	7,258,531	2,753	4,219	241,539	289,166	8,331,724	7,551,916
Doubtful accounts	-	-	-	315,666	-	-	-	315,666
Lawsuits	-	-	-	-	4,785	11,420	4,785	11,420
Slow-moving and obsolete materials and spare parts	28,469	50,957	-	-	-	-	28,469	50,957
Other	11,842	18,808	2,166	98	18,525	16,050	32,533	34,956
Balances as of September 30, 2021	13,388,634	-	548,538	-	1,965,036	-	15,902,208	-
Balances as of September 30, 2020	-	11,733,532	-	1,081,457	-	1,951,705	-	14,766,694



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

12 – EXPENSES BY NATURE (Cont.)

Item	For the three-month period as of 09.30						Total three-month period as of 09.30.2021	Total three-month period as of 09.30.2020
	Cost of service		Selling expenses		Administrative expenses			
	2021	2020	2021	2020	2021	2020		
Directors' fees	-	-	-	-	10,817	10,336	10,817	10,336
Supervisory Committee's fees	-	-	-	-	3,034	2,898	3,034	2,898
Fees for professional services	24,754	28,538	4	1,895	39,868	35,982	64,626	66,415
Salaries, wages and other personnel benefits	540,703	468,390	12,506	12,422	195,366	178,301	748,575	659,113
Social security contributions	108,481	100,079	2,520	2,499	42,870	45,484	153,871	148,062
Materials and spare parts	252,810	125,185	-	-	3,250	-	256,060	125,185
Third party services and supplies	52,320	57,584	87	133	1,180	1,607	53,587	59,324
Maintenance and repair of property, plant and equipment	834,090	627,652	369	319	11,030	3,902	845,489	631,873
Travel expenses	44,208	26,098	321	154	5,807	2,089	50,336	28,341
Freight and transportation	12,154	8,994	-	-	40	-	12,194	8,994
Post and telecommunication expenses	5,359	5,565	356	337	4,847	4,071	10,562	9,973
Insurance	66,102	65,207	7	6	5,529	3,821	71,638	69,034
Office supplies	3,628	2,741	-	217	5,246	4,641	8,874	7,599
Rentals	13,933	13,259	58	136	3,440	5,542	17,431	18,937
Easements	19,543	15,111	-	-	-	-	19,543	15,111
Taxes, rates and contributions	1,205	1,429	159,958	204,411	227,009	329,888	388,172	535,728
Property, plant and equipment depreciation	2,727,034	2,420,002	813	1,296	57,107	147,594	2,784,954	2,568,892
Doubtful accounts	-	-	-	66,959	-	-	-	66,959
Lawsuits	-	-	-	-	4,670	3,633	4,670	3,633
Slow-moving and obsolete materials and spare parts	28,469	9,083	6,731	-	-	-	35,200	9,083
Other	7,399	5,881	-	40	11,979	4,052	19,378	9,973
Balances for the three-month period as of September 30, 2021	4,742,192	-	183,730	-	633,089	-	5,559,011	-
Balances for the three-month period as of September 30, 2020	-	3,980,798	-	290,824	-	783,841	-	5,055,463



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

13 – OTHER INCOME AND EXPENSES

	<u>Nine-month period as of</u>		<u>Three-month period as of</u>	
	<u>09.30.2021</u>	<u>09.30.2020</u>	<u>09.30.2021</u>	<u>09.30.2020</u>
Income from commercial indemnities	11,838	46,533	11,838	46,533
Disposal of property, plant and equipment, net	(13,523)	(13,393)	(8,476)	(7,018)
Doubtful accounts, net	71,199	-	252,959	-
Other income and expenses	(37,636)	221,720	(1,894)	16,849
Total other net income and expenses	<u>31,878</u>	<u>254,860</u>	<u>254,427</u>	<u>56,364</u>

14 – NET FINANCIAL INCOME

	<u>Nine-month period as of</u>		<u>Three-month period as of</u>	
	<u>09.30.2021</u>	<u>09.30.2020</u>	<u>09.30.2021</u>	<u>09.30.2020</u>
Other net financial income				
Foreign exchange gain	1,609,154	1,946,091	282,964	804,716
Income from changes in fair values	1,237,323	505,851	1,024,211	160,709
Loss from derivative financial instruments	-	(105,842)	-	-
Other	229,953	32,126	(536,689)	32,126
Total other net financial income	<u>3,076,430</u>	<u>2,378,226</u>	<u>770,486</u>	<u>997,551</u>
Financial income				
Interest	<u>670,192</u>	<u>113,484</u>	<u>194,209</u>	<u>48,715</u>
Total financial income	<u>670,192</u>	<u>113,484</u>	<u>194,209</u>	<u>48,715</u>
Financial expenses				
Interest	(774,983)	(1,366,474)	(205,814)	(611,381)
Interest compounded on property, plant and equipment	-	118,025	-	39,543
Banking and financial fees, expenses and taxes	(10,016)	(88,583)	(2,416)	(9,638)
Total financial expenses	<u>(784,999)</u>	<u>(1,337,032)</u>	<u>(208,230)</u>	<u>(581,476)</u>
Loss on monetary position	<u>(4,360,017)</u>	<u>(1,385,588)</u>	<u>(1,324,735)</u>	<u>(710,031)</u>
Total net financial loss	<u>(1,398,394)</u>	<u>(230,910)</u>	<u>(568,270)</u>	<u>(245,241)</u>



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

15 – RELATED PARTIES

Transactions with related parties are as follows:

	<u>09.30.2021</u>	<u>09.30.2020</u>
Controlling company		
<u>Other net income and expenses</u>		
Gasinvest S.A.	1,085	1,154
Litoral Gas S.A.	3,694	-
<u>Total other net income and expenses</u>	4,779	1,154
Affiliated companies		
<u>Revenues</u>		
Comgas Andina S.A.	10,714	11,402
Companhia Operadora do Rio Grande do Sul	1,625	1,750
<u>Total revenues</u>	12,339	13,152
<u>Recovery of expenses</u>		
Comgas Andina S.A.	1,034	2,357
Companhia Operadora do Rio Grande do Sul	35	-
<u>Total recovery of expenses</u>	1,069	2,357
Other related parties		
<u>Revenues</u>		
Litoral Gas S.A.	2,054,917	3,021,190
Ternium Argentina S.A.	293,075	444,670
Compañía General de Combustibles S.A.	-	24,470
Siderca S.A.	184,207	270,848
Transportadora de Gas del Mercosur S.A.	61,787	62,663
Tecpetrol S.A.	45,543	89,705
Gasoducto Gasandes Argentina S.A.	12,204	25,527
<u>Total revenues</u>	2,651,733	3,939,073



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

15 – RELATED PARTIES (Cont.)

Transactions with related parties are as follows (Cont.):

Other related parties (Cont.)

	<u>09.30.2021</u>	<u>09.30.2020</u>
<u>Recovery of expenses</u>		
Gasinvest S.A.	1,699	1,702
Transportadora de Gas del Mercosur S.A.	<u>11,469</u>	<u>8,029</u>
<u>Total recovery of expenses</u>	13,168	9,731
<u>Acquisition of property, plant and equipment items and material</u>		
Siat S.A.	<u>-</u>	<u>(79,369)</u>
<u>Total Acquisition of property, plant and equipment items and material</u>	-	(79,369)
Key management personnel		
Board of Directors' fees	(32,228)	(33,114)
Supervisory Committee's fees	(9,237)	(9,285)



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

15 – RELATED PARTIES (Cont.)

Balances with related parties are as follows:

	<u>09.30.2021</u>	<u>12.31.2020</u>
Trade accounts receivable		
<u>Other related parties</u>		
Transportadora de Gas del Mercosur S.A.	7,711	7,000
Litoral Gas S.A.	256,191	311,205
Ternium Argentina S.A.	34,511	46,385
Siderca S.A.	21,736	28,116
Tecpetrol S.A.	21,652	4,416
Gasoducto Gasandes Argentina S.A.	1,539	1,613
<u>Total trade accounts receivable - other related parties</u>	<u>343,340</u>	<u>398,735</u>
<u>Accounts receivable – affiliated companies</u>		
Comgas Andina S.A.	1,096	1,279
Companhia Operadora do Rio Grande do Sul	183	2,349
<u>Total accounts receivable –affiliated companies</u>	<u>1,279</u>	<u>3,628</u>
Other accounts receivable		
<u>Assistance fee and recovery of expenses – controlling company</u>		
Gasinvest S.A.	404	2,235
<u>Total assistance fee and recovery of expenses – controlling company</u>	<u>404</u>	<u>2,235</u>
<u>Other accounts receivable – affiliated companies</u>		
Comgas Andina S.A.	-	1,087
Companhia Operadora do Rio Grande do Sul	1,929	3,051
<u>Total other accounts receivable – affiliated companies</u>	<u>1,929</u>	<u>4,138</u>
<u>Other accounts receivable – related parties</u>		
Gasoducto Gasandes Argentina S.A.	248	262
Transportadora de Gas del Mercosur S.A.	-	8,661
Litoral Gas S.A.	118	-
<u>Total other accounts receivable – related parties</u>	<u>366</u>	<u>8,923</u>
<u>Other accounts receivable - Key Management Personnel</u>		
Board of Directors and Supervisory Committee's fees paid in advance	35,357	49,049
<u>Total other accounts receivable - Key Management Personnel</u>	<u>35,357</u>	<u>49,049</u>



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

15 – RELATED PARTIES (Cont.)

Balances with related parties are as follows:

	<u>09.30.2021</u>	<u>12.31.2020</u>
Trade accounts payable		
<u>Trade accounts payable with related parties</u>		
Litoral Gas S.A.	<u>2</u>	<u>-</u>
<u>Total trade accounts payable with related parties</u>	<u>2</u>	<u>-</u>
 Other debts		
<u>Other debts - Key Management Personnel</u>		
Provision for Directors and Supervisory Committee's fees	<u>(36,624)</u>	<u>(49,021)</u>
<u>Total other debts Key Management Personnel</u>	<u>(36,624)</u>	<u>(49,021)</u>



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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

16 – SUBSEQUENT EVENTS

As of the date of issue of these interim condensed financial statements, the US dollar exchange rate published by Banco de la Nación Argentina amounts to 100.08 pesos per US dollar. See Note 3.3.1 to these interim condensed financial statements, where the impact on the Company's equity is described.

No events or circumstances have occurred subsequent to September 30, 2021 which may significantly impact on the Company's financial or economic position as of that date other than those made available to the public and disclosed in these interim condensed financial statements.



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OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

As required by the National Securities Commission (“CNV”), an overview of Transportadora de Gas del Norte S.A. (“TGN” or the “Company”) revenues, financial position, certain economic-financial indicators and business prospects, that must be read in conjunction with the Company’s Interim Condensed Financial Statements for the nine-month period ended September 30, 2021, is shown below, as well as relevant facts timely informed to the CNV.

D) ANALYSIS OF COMPREHENSIVE INCOME AND FINANCIAL POSITION

Comprehensive income for the period:

	<i>(in million pesos)</i>		
	<i>Nine-month period ended 96.30.</i>		
	2021	2020	Variation
Revenues			
Gas transportation service	13,073.2	19,385.9	(6,312.7)
Gas pipeline operation & maintenance and other services	807.2	989.4	(182.2)
Total revenues	13,880.4	20,375.3	(6,494.9)
Cost of service			
Operation and maintenance costs	(5,301.2)	(4,475.0)	(826.2)
Property, plant and equipment depreciation	(8,087.4)	(7,258.5)	(828.9)
Subtotal	(13,388.6)	(11,733.5)	(1,655.1)
Gross profit	491.8	8,641.8	(8,150.0)
Administrative and selling expenses	(2,513.6)	(3,033.2)	519.6
(Loss) income before other net income and expenses	(2,021.8)	5,608.6	(7,630.4)
Other income and expenses	31.9	254.9	(223.0)
(Loss) income before financial income	(1,989.9)	5,863.5	(7,853.4)
Net financial income	(1,398.4)	(230.9)	(1,167.5)
Income from investments in affiliated companies	19.4	26.9	(7.5)
Income before income tax	(3,368.9)	5,659.5	(9,028.4)
Income tax	(3,296.7)	(1,320.5)	(1,976.2)
(Loss) income for the period	(6,665.6)	4,339.0	(11,004.6)
Currency conversion of affiliated companies’ financial statements	(37.6)	6.4	(44.0)
Property, plant and equipment revaluation allowance	-	(1,964.4)	1,964.4
Other comprehensive income for the period	(37.6)	(1,958.0)	1,920.4
Comprehensive (loss) income for the period	(6,703.2)	2,381.0	(9,084.2)
EBITDA ⁽¹⁾	6,310.0	13,160.0	(6,850.0)

(1) Earnings before income tax, financial income, property, plant and equipment depreciation and charges on consumable assets that do not involve cash outflows.



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OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

D) ANALYSIS OF COMPREHENSIVE INCOME AND FINANCIAL POSITION (Cont.)

	<i>(in million pesos)</i>	
	<i>09.30.2021</i>	<i>12.31.2020</i>
<i>Total assets</i>	<i>92,919</i>	<i>101,058</i>
<i>Total liabilities</i>	<i>24,308</i>	<i>25,744</i>
<i>Shareholders' equity</i>	<i>68,611</i>	<i>75,314</i>

The following paragraphs describe the reasons for main variations in TGN's comprehensive income and cash flows, and disclose some economic-financial indicators in connection with the Company's equity.

Revenues

The decrease in inflation adjusted revenues amounting to \$ 6,494.9 million between the nine-month periods ended September 30, 2021 and 2020 is mainly due to:

- i.* \$ 691 million decrease in revenues due to a drop in export transportation services;
- ii.* \$ 680 million increase in revenues from interruptible transportation and exchange and displacement services;
- iii.* \$ 6,257 million decrease in revenues, as a result of the suspension of rate adjustments in an accelerated inflationary context. See Notes 1.2 and 1.3.2 to the Company's interim condensed financial statements for the nine-month period ended September 30, 2021; and
- iv.* \$ 182 million decrease in revenues from "*Gas pipeline operation and maintenance and other services*".

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OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

D) ANALYSIS OF COMPREHENSIVE INCOME AND FINANCIAL POSITION (Cont.)

Cost of service

Items	(in million Pesos)		
	Nine-month period ended 09.30.		
	2021	2020	Variation
<i>Fees for professional services</i>	67.6	97.6	(30.0)
<i>Salaries, wages and other personnel benefits and social security contributions</i>	1,818.4	1,675.3	143.1
<i>Materials and spare parts</i>	633.9	444.4	189.5
<i>Maintenance and repair of property, plant and equipment and third-party services and supplies</i>	2,215.1	1,728.5	486.6
<i>Post, telecommunications, transportation, freight and travel expenses</i>	187.4	145.5	41.9
<i>Insurance</i>	217.8	206.8	11.0
<i>Rentals and office supplies</i>	55.3	57.2	(1.9)
<i>Easements</i>	60.4	44.8	15.6
<i>Taxes, rates and contributions</i>	5.1	5.2	(0.1)
<i>Property, plant and equipment depreciation</i>	8,087.4	7,258.5	828.9
<i>Slow-moving and obsolete materials and spare parts</i>	28.5	51.0	(22.5)
<i>Other</i>	11.7	18.7	(7.0)
Total	13,388.6	11,733.5	1,655.1
% of Cost of service on revenues	96.5%	57.6%	

Accounts recording the most significant variations between both periods are as follows:

- i. \$ 613.8 million increase in *Salaries, wages and other personnel benefits and social security contributions* (which adjusted for inflation amounts to \$ 143.1 million). Said variation is explained by salary increases due to inflation adjustment (\$ 530.6 million) and a higher headcount (\$ 7.4 million), among other items;
- ii. \$ 246.5 million increase in *Materials and spare parts* (which adjusted for inflation amounts to \$ 189.5 million). Said variation is mainly due to higher costs in spare parts (\$ 55.7 million), consumables (\$ 37.0 million), projects related to compressor plants ancillary integrity (\$ 13.2 million) and compression integrity (\$ 144.1 million), partially offset against other items;
- iii. \$ 950.2 million increase in *Maintenance and repair of property, plant and equipment and Third-party services and supplies* (which adjusted for inflation amounts to \$ 486.6 million). Said variation is mainly due to higher costs associated with cleaning and clearing of facilities (\$ 58.7 million), outsourced maintenance works (\$ 71.6 million), expenses in application software (\$ 4.4 million), layout related works (\$ 315.0 million), corrosion protection (\$ 50.9 million), river crossings (\$ 50.6 million), pipeline inspections (\$ 288.7 million), projects related to compression integrity at compressor plants (\$ 46.1 million), ancillary integrity (\$ 34.9 million), security and surveillance (\$ 50.4 million), and minor works (\$ 34.9 million), offset against lower costs in cathodic protection (\$ 22.9 million), special crossings (\$ 24.4 million), piping (\$ 22.7 million) and integrity at metering and regulation stations and transportation (\$ 6.7 million); and
- iv. \$ 1,708.3 million increase in *Property, plant and equipment depreciation* (which adjusted for inflation amounts to \$ 828.9 million). Said variation is due to the higher depreciation, as a result of capitalizations.

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OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

I) ANALYSIS OF COMPREHENSIVE INCOME AND FINANCIAL POSITION (Cont.)

Administrative and selling expenses

<i>Items</i>	<i>(in million pesos)</i>		
	<i>Nine-month period ended 09.30.</i>		
	<i>2021</i>	<i>2020</i>	<i>Variation</i>
<i>Salaries, wages and other personnel benefits and social security contributions</i>	743.1	713.4	29.7
<i>Property, plant and equipment depreciation</i>	244.3	293.4	(49.1)
<i>Fees for professional services</i>	202.6	107.2	95.4
<i>Taxes, rates and contributions</i>	1,119.2	1,382.2	(263.0)
<i>Post, telecommunications, transportation, freight and travel expenses</i>	28.5	25.7	2.8
<i>Maintenance and repair of property, plant and equipment and third-party services and supplies</i>	55.6	43.7	11.9
<i>Rentals and office supplies</i>	36.0	42.5	(6.5)
<i>Doubtful accounts</i>	-	315.7	(315.7)
<i>Lawsuits</i>	4.8	11.4	(6.6)
<i>Supervisory Committee's fees</i>	9.2	9.3	(0.1)
<i>Board of Directors' fees</i>	32.2	33.1	(0.9)
<i>Materials and spare parts</i>	5.0	28.0	(23.0)
<i>Insurance</i>	12.4	11.4	1.0
<i>Other</i>	20.7	16.2	4.5
<i>Total</i>	2,513.6	3,033.2	(519.6)
<i>% of Administrative and Selling expenses on revenues</i>	18.1%	14.9%	

Accounts recording the most relevant variations between both periods are as follows:

- i. \$ 22.1 million increase in *Property, plant and equipment depreciation* (which adjusted for inflation amounts to a \$ 49.1 million decrease). Said variation is due to the higher depreciation, as a result of capitalizations;
- ii. \$ 113.4 million increase in *Fees for professional services* (which adjusted for inflation amounts to \$ 95.4 million) due to higher consultancy expenses for building refurbishments;
- iii. \$ 156.2 million increase in *Taxes, rates and contributions* (which adjusted for inflation amounts to a \$ 263.0 million decrease). Said variation is mainly due to higher costs associated with the verification and control fee (\$ 157.1 million) and turnover tax (\$ 15.3 million), partially offset against higher costs during 2020 fiscal year in tax on bank transactions (\$ 21.5 million); and
- iv. \$ 285.7 million decrease in *Doubtful accounts* (which adjusted for inflation amounts to a \$ 315.7 million decrease). Said variation is due to a lower allowance set up during the current period in connection with balances owed by delinquent debtors.

OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

D) ANALYSIS OF COMPREHENSIVE INCOME AND FINANCIAL POSITION (Cont.)

Net financial income

<i>Items</i>	<i>(in million pesos)</i>		
	<i>Nine-month period ended 09.30.</i>		
	<i>2021</i>	<i>2020</i>	<i>Variation</i>
<i>Other net financial income:</i>			
<i>Net exchange rate gain</i>	1,609.2	1,946.1	(336.9)
<i>Income due to changes in fair values</i>	1,237.3	505.9	731.4
<i>Income from derivative financial instruments</i>	-	(105.8)	105.8
<i>Other</i>	230.0	32.1	197.9
<i>Total other net financial income</i>	3,076.5	2,378.3	698.2
<i>Financial income:</i>			
<i>Interest</i>	670.2	113.5	556.7
<i>Total financial income</i>	670.2	113.5	556.7
<i>Financial expenses:</i>			
<i>Interest</i>	(775.0)	(1,366.5)	591.5
<i>Interest compounded on Property, plant and equipment</i>	-	118.0	(118.0)
<i>Banking, financial and other fees, expenses and taxes</i>	(10.0)	(88.6)	78.6
<i>Total financial expenses</i>	(785.0)	(1,337.1)	552.1
<i>Loss on monetary position</i>	(4,360.1)	(1,385.6)	(2,974.5)
<i>Total net financial (loss) income</i>	(1,398.4)	(230.9)	(1,167.5)

Net financial income for the nine-month period ended September 30, 2021 showed a higher gain of \$ 1,841.4 million (which adjusted for inflation amounts to a \$ 1,167.5 million decrease), as compared to the nine-month period ended September 30, 2020. Accounts with the most relevant variations between both periods were:

- i. a higher gain of \$ 168.2 million (which adjusted for inflation amounts to a lower gain of \$ 336.9 million), on account of net exchange rate differences on US dollar denominated assets and liabilities;
- ii. a higher gain of \$ 673.4 million (which adjusted for inflation amounts to \$ 1,148.2 million), associated with interest accrued during the period;
- iii. a higher gain of \$ 797.2 million (which adjusted for inflation amounts to \$ 731.4 million), due to changes in fair values accrued during the period;
- iv. a lower gain of \$ 71.8 million (which adjusted for inflation amounts to \$ 118.0 million), in compound interest in connection with works the duration of which exceeds one year;
- v. a lower loss of \$ 58.1 million (which adjusted for inflation amounts to \$ 105.8 million) as a result of transactions with derivative instruments;
- vi. a higher gain of \$ 173.2 million (which adjusted for inflation amounts to \$ 197.9 million) mainly due to the collection of the subsidy associated with the financial cost of the deferral in the collection of invoices to distributors, sub-distributors, transporters and producers during 2020 fiscal year. See Note 1.3.2 to the Company's interim condensed financial statements for the nine-month period ended September 30, 2021; and
- vii. a lower gain of \$ 2,974.5 million on monetary position, due to the greater number of monetary assets exposed to inflation held in the period as compared to the same period in 2020.

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OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

I) ANALYSIS OF COMPREHENSIVE INCOME AND FINANCIAL POSITION (Cont.)

Other income and expenses

During the nine-month periods ended September 30, 2021 and 2020, the Company has recognized gains for \$ 31.9 million and \$ 254.9 million, respectively. The lower gain for \$ 223.0 million is mainly due to:

- i. \$ 258.5 million lower gain due to the collection of insurance proceeds during the same period in previous year;
- ii. \$ 71.2 million higher gain due to a lower allowance for doubtful accounts in connection with balances owed by delinquent debtors;
- iii. \$ 34.7 million lower gain as a result of discounts granted to customers during the current period; and
- iv. \$ 36.2 million lower loss during the current period as compared to the same period in previous year, due to donations made during 2020 fiscal year under the Coronavirus pandemic.

Income tax

Income tax for the nine-month period ended September 30, 2021 reported a higher charge of \$ 1,976.2 million as compared to the same period in previous year. Said variation is the result of a lower current tax charge of \$ 1,825.7 million due to a lower taxable income reported in the nine-month period ended September 30, 2021, as compared to the same period in 2020 fiscal year, and a higher charge on account of deferred income tax of \$ 3,801.9 million, mainly due to the increase in the tax rate. See Note 2.2 to the Company's interim condensed financial statements for the nine-month period ended September 30, 2021.

Other comprehensive income for the period

"Other comprehensive income for the period" showed a lower loss of \$ 1,920.4 million mainly due to the impairment recorded in items of "Property, plant and equipment" amounting to \$ 1,964.49 million during the same period in the previous year. See Note 2.2 to the Company's interim condensed financial statements for the period ended September 30, 2020.

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OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

D) ANALYSIS OF COMPREHENSIVE INCOME AND FINANCIAL POSITION (Cont.)

Summary of statement of cash flows

	<i>(in million pesos)</i>	
	Nine-month period ended 09.30.	
	2021	2020
<i>Cash generated by operating activities</i>	3,345.9	9,233.6
<i>Income tax</i>	3,296.7	1,320.5
<i>Interest accrued on liabilities</i>	775.0	1,366.5
Net cash flow generated by operating activities	7,417.6	11,920.6
<i>Acquisition of property, plant and equipment</i>	(2,091.1)	(2,456.4)
<i>Subscriptions, net of recovery of investments at amortized cost and investments at fair value (non-cash equivalents)</i>	1,695.4	2,543.7
<i>Principal and interest received from investments at amortized cost and investments at fair value</i>	8.3	15.9
Net cash flow used in investing activities	(387.4)	103.2
<i>Taking of local loans in pesos</i>	49.2	10,440.4
<i>Issue of Notes</i>	-	2,351.9
<i>Payment of principal on Notes</i>	(517.7)	-
<i>Payment of interest on Notes</i>	(449.0)	-
<i>Payment of principal on local loans in pesos</i>	(306.1)	(8,757.5)
<i>Payment of interest on local loans in pesos</i>	(227.3)	(710.2)
<i>Payment of principal on Syndicated Loan</i>	-	(6,150.3)
<i>Payment of interest on Syndicated Loan</i>	-	(368.6)
<i>Payment of interest on Itaú Unibanco S.A. Nassau Branch loan</i>	(52.7)	-
<i>Lease payment</i>	(13.6)	(14.9)
Net cash flow used in financing activities	(1,517.2)	(3,209.2)
Net increase in cash and cash equivalents	5,513.0	8,814.6
Cash and cash equivalents at the beginning of fiscal year	4,221.1	3,959.9
Financial income generated by cash	(6,268.4)	(3,939.0)
Cash and cash equivalents at the end of period	3,465.7	8,835.5

Breakdown of cash and cash equivalents

Items	<i>(in million pesos)</i>	
	Nine-month period ended 09.30.	
	2021	2020
<i>Cash and banks ⁽¹⁾</i>	73.8	684.6
<i>Term deposits in \$</i>	-	931.0
<i>Term deposits in US\$</i>	-	352.2
<i>Mutual funds in \$</i>	2,006.8	2,821.0
<i>Mutual funds in US\$</i>	-	3,027.5
<i>Surety bonds in \$</i>	1,385.1	1,019.2
Cash and cash equivalents at the end of period	3,465.7	8,835.5

⁽¹⁾ As of September 30, 2021 and 2020 it includes \$ 8.4 million and \$ 12.2 million, respectively, denominated in foreign currency.

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OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

II) COMPARATIVE BALANCE SHEETS AS OF SEPTEMBER 30, 2021 and 2020

<i>Items</i>	<i>(in million pesos)</i>	
	<i>As of 09.30</i>	
	<i>2021</i>	<i>2020</i>
<i>Non-current assets</i>	82,179	95,755
<i>Current assets</i>	10,740	16,715
Total	92,919	112,470
<i>Shareholders' equity</i>	68,611	82,433
<i>Non-current liabilities</i>	20,601	17,949
<i>Current liabilities</i>	3,707	12,088
<i>Subtotal liabilities</i>	24,308	30,037
Total	92,919	112,470

III) COMPARATIVE COMPREHENSIVE INCOME FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 and 2020

<i>Items</i>	<i>(in million pesos)</i>	
	<i>As of 09.30</i>	
	<i>2021</i>	<i>2020</i>
(Loss) income before other net income and expenses	(2,021.8)	5,608.6
<i>Other income and expenses</i>	31.9	254.9
(Loss) income before financial income	(1,989.9)	5,863.5
<i>Net financial income</i>	(1,398.4)	(230.9)
<i>Income from investments in affiliated companies</i>	19.4	26.9
Income before income tax	(3,368.9)	5,659.5
<i>Income tax</i>	(3,296.7)	(1,320.5)
(Loss) income for the period	(6,665.6)	4,339.0
<i>Other comprehensive income for the period</i>	(37.6)	(1,958.0)
Comprehensive (loss) income for the period	(6,703.2)	2,381.0

IV) COMPARATIVE STATISTICAL DATA FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 and, 2020

Dispatched volumes in million m3:

	<i>By type of transportation</i>	
	<i>As of 09.30</i>	
	<i>2021</i>	<i>2020</i>
<i>Firm</i>	9,474	9,672
<i>Interruptible & exchange and displacement</i>	9,970	8,481
Total	19,444	18,153

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OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

IV) COMPARATIVE STATISTICAL DATA FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 and 2020 (Cont.)

	<i>By source</i>	
	<i>As of 09.30</i>	
	<i>2021</i>	<i>2020</i>
<i>Northern Pipeline</i>	5,731	6,686
<i>Central West Pipeline</i>	8,327	7,542
<i>Final sections</i>	5,386	3,925
<i>Total</i>	19,444	18,153

	<i>By destination</i>	
	<i>As of 09.30</i>	
	<i>2021</i>	<i>2020</i>
<i>Domestic market</i>	19,282	17,367
<i>Export market</i>	162	786
<i>Total</i>	19,444	18,153

V) COMPARATIVE RATIOS AS OF SEPTEMBER 30, 2021 and 2020

	<i>As of 09.30</i>	
	<i>2021</i>	<i>2020</i>
<i>Liquidity (1)</i>	2.8972	1.3828
<i>Solvency (2)</i>	2.8226	2.7444
<i>Equity Immobility (3)</i>	0.8844	0.8514

- (1) Current assets / current liabilities
- (2) Equity / total liabilities
- (3) Non-current assets / total assets

VI) BUSINESS PROSPECTS FOR CURRENT YEAR (not covered by the Auditor's Report)

This section about the Company's business, operating, financial and regulatory prospects should be read, analysed and interpreted in conjunction with the notes to the interim condensed financial statements as of September 30, 2021, in order to have a full picture of corporate matters.

OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

VI) BUSINESS PROSPECTS FOR CURRENT FISCAL YEAR *(not covered by the Auditor's Report)* (Cont.)

From April 2014 to December 2017 TGN received successive interim rate increases until March 2018 when the National Gas Regulatory Entity ("ENARGAS") approved the rates resulting from the Comprehensive Rate Review ("CRR") conducted by said entity starting in March 2016. Additionally, the CRR provides that between April 1, 2017 and March 31, 2022, the Company must implement a Mandatory Investment Plan ("MIP") for approximately \$ 5.6 billion (expressed in December 2016 currency), which amount shall be adjusted in line with TGN rates. The Company is bound to both invest the amount committed and to carry out those works described under the MIP. The regulatory framework provides for non-automatic semi-annual transportation rate procedures for rate reviews, due to changes experienced in the cost of the service, in order to maintain the economic-financial balance and quality of the service.

In December 2019 the Social Solidarity and Productive Reactivation under the Public Emergency Framework Law No. 27,541 (the "Solidarity Law") was enacted, empowering the National Executive Branch ("PEN") to freeze natural gas rates under federal jurisdiction and start a renegotiation process of the CRR in place, or embark on a rate review of an exceptional nature in the terms of Act No. 24,076 (the "Natural Gas Act") for a maximum term of 180 days, tending to reduce the actual rate burden on households, and commercial and industrial users in 2020 year. The PEN was further empowered to administratively intervene ENARGAS for a one-year term. Indeed, on March 16, 2020 the PEN instructed the intervention of the ENARGAS for a term successively extended until December 31, 2021, entrusting the comptroller to conduct a legal, technical and economic audit of all aspects regulated under the Solidarity Law in energy matters, and to prepare a report to be submitted to the PEN. The rate freeze established under the Solidarity Law was successively extended until March 17, 2021 by means of Necessity and Urgency Decrees No. 543/20 and 1020/20, respectively.

On November 20, 2020, ENARGAS comptroller submitted a report to the National Energy Secretary and Minister of Economy with the results of the audit and CRR, concluding that the latter would have been affected by serious flaws that could render it null and void and that, in his opinion, would have had a negative impact on the rates paid by users, as a result of which he proposed to opt for the CRR renegotiation alternative foreseen in section 5 of the Solidarity Law. The Company, which received notice of said report on January 7, 2021, disagrees with said conclusions as it considers that the CRR was a valid procedure under the applicable legislation that gave rise to fair and reasonable transportation rates, as required under the Natural Gas Act.

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OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

VI) BUSINESS PROSPECTS FOR CURRENT FISCAL YEAR (*not covered by the Auditor's Report*) (Cont.)

Following ENARGAS comptroller's recommendation, on December 17, 2020, the PEN passed Decree No. 1020/20 instructing to suspend the "Comprehensive Agreement" toward amendment of TGN's License that had come into force in March 2018, to start the CRR renegotiation as established in section 5 of the Solidarity Law and to complete the renegotiation process no later than December 17, 2022. Said process must end with the execution of a final agreement with natural gas transportation and distribution licensees regarding the CRR, with ENARGAS being authorized to apply interim rate adjustments to assure the normal and continued provision of the utility service. Said decree further provides that if no final agreement is reached, the ENARGAS shall enact, *ad referendum* of the PEN, a new rate regime for natural gas transportation and distribution utility services.

Hence, on February 22, 2021, the ENARGAS passed Resolution No. 47/21 convening a public hearing that took place on March 16, 2021, to discuss the interim rate regime foreseen in Decree 1020/20. Said resolution envisages that any interim rate increase must be endorsed by an agreement to be entered into between licensees and ENARGAS, and further that during the effective term of the interim rate regime licensees will not be allowed to distribute dividends, directly or indirectly prepay financial and commercial liabilities with shareholders, acquire other companies or grant loans, without ENARGAS express authorization.

On March 27, 2021, ENARGAS offered gas distribution and transportation licensees to enter into interim rate adjustment agreements in exchange for their commitment not to bring claims based on the rate freezing established under the Solidarity Law. As such proposal was equal to zero for TGN, the Company declined to enter into said agreement, though it agreed to embark on the CRR renegotiation process established under Decree 1020/20, making reservation of its rights and actions.

On June 1 the Company received notice of certain resolutions passed by the Ministry of Economy ("MECON") as well as the ENARGAS, all of them validated by a presidential decree, whereby an Interim Rate Regime ("IRR") was put in force.

The IRR involves that: (i) TGN rates will remain frozen, (ii) the Company will have to continue to render the gas transportation service, (iii) the ban on distributing dividends, prepaying loans with shareholders and acquiring companies or granting loans (except to users or contractors other than the Company's shareholders), without ENARGAS previous approval, will remain in place, and (iv) no mandatory investment plan applies during the IRR. The IRR also provides for the possibility that ENARGAS adjusts TGN rates as from April 1, 2022.



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OVERVIEW FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021 AND 2020

VI) BUSINESS PROSPECTS FOR CURRENT FISCAL YEAR *(not covered by the Auditor's Report)* (Cont.)

On June 30, 2021, the Company filed an appeal at administrative level against Decree 1020/20, MECON and ENARGAS Joint Resolution 2/21 whereby the IRR was approved subject to further approval by the PEN, Decree 353/21 which ratified Joint Resolution 2 and ENARGAS Resolution 150/21 whereby the IRR rate charts were put into force. In line with the express provisions of the Gas Act (article 48) and the “Basic Rules of the Transportation License” (item 9.8), the Company believes that the cost of any subsidy to natural gas users must be borne by the National Treasury, and not TGN, or otherwise TGN must be compensated by the PEN. The Company also believes that neither the PEN, MECON nor ENARGAS have the authority to place the bans imposed by the IRR.

As mentioned earlier, transportation rates are frozen as at April 2019 values and the PEN instructed ENARGAS to start the CRR renegotiation process that should be completed by December 2022. In the meanwhile, the ENARGAS could be authorized to apply interim rate increases to assure the normal and continued provision of the utility service, but the Company cannot assure that this will occur.

Although the Company, relying on the Natural Gas Act, expects rates to be maintained at constant values in the course of time to be able to meet pipeline operation and maintenance expenses and investments, and have a reasonable rate of return, the outcome of the CRR renegotiation may differ from current estimates, as the Solidarity Law seeks a rate reduction in real terms and the PEN has determined to perpetuate the freezing of transportation rates. Therefore, we do not anticipate the results from said process.

Finally, worth mentioning is the fact that the Company operates within an economic context where main variables have experienced and continue to experience a strong volatility. Against such backdrop, the national government tightened currency exchange restrictions, increased the tax burden, established price agreements and/or controls (TGN rates included) in an attempt to contain inflation, and stopped adjusting retirement and pension benefits.

The Management Department permanently monitors how previously mentioned events evolve in order to determine possible actions to be adopted and identify eventual impacts on the Company's equity and financial position.

City of Buenos Aires, November 9, 2021

Emilio Daneri Conte-Grand
President



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REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS

To the Shareholders, President and Directors of
Transportadora de Gas del Norte S.A.
Legal address: Don Bosco 3672 - 3rd floor
Autonomous City of Buenos Aires
Tax Code No. 30-65786305-6

Introduction

We have reviewed the accompanying condensed interim financial statements of Transportadora de Gas del Norte S.A. (hereinafter, "the Company" or "TGN"), comprised of the interim condensed balance sheets at September 30, 2021, the interim condensed statement of comprehensive income for the nine and three months periods ended on September 30, 2021 and the interim condensed statement of changes in shareholders' equity and the interim condensed statement of cash flows for the nine months period then ended, and the selected explanatory notes.

The amounts and other information related to the fiscal year 2020 and their interim periods are an integral part of the financial statements mentioned above and, therefore, they should be considered in connection with these financial statements.

Management's responsibilities

The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and included by the National Securities Commission (CNV) in its regulations, as approved by the International Accounting Standards Board (IASB), and is therefore responsible for the preparation and presentation of the interim condensed ~~consolidated~~ financial statements mentioned in the first paragraph, in accordance with International Accounting Standard 34 "Interim Financial Information" (IAS 34).

Scope of our review

Our review was limited to the application of the procedures established under International Standards on Review Engagements ISRE 2410 "Review of interim financial information performed by the independent auditor of the entity", adopted as a review standard in Argentina by Technical Pronouncement No. 33 of the FACPCE and approved by the International Auditing and Assurance Standards Board (IAASB). A review of interim financial information consists of making inquiries to the Company's personnel responsible for preparing the information included in the interim condensed financial statements and performing analytical and other review procedures. This review is substantially less in scope than an audit examination conducted in accordance with international standards on auditing and consequently it does not enable us to be sure that we would become aware of all significant matters that might be identified in an audit. Therefore, we do not express an audit opinion on the Company's financial position, comprehensive income and cash flows.



Conclusion

On the basis of our review, nothing has come to our attention that make us think that the interim condensed financial statements mentioned in the first paragraph of this report have not been prepared, in all material respects, in accordance with International Accounting Standard 34.

Report on compliance with regulations in force

In compliance with current regulations, we report with respect to Transportadora de Gas del Norte S.A. that:

- a) except for not being signed, the interim condensed financial statements of Transportadora de Gas del Norte S.A. are transcribed into the "Inventory and Balance Sheet" and comply, in what is within our competence, with the dispositions of General Companies Law and the relevant resolutions of the National Securities Commission;
- b) the interim condensed financial statements of Transportadora de Gas del Norte S.A. arise from accounting records carried in all formal aspects in conformity with legal requirements, except for the fact that they are pending to be signed;
- c) we have read the Overview, on which we have no observations to make insofar as concerns matters within our field of competence;
- d) at September 30, 2021, the liabilities accrued by Transportadora de Gas del Norte S.A. in favor of the Argentine Integrated Social Security System according to the Company's accounting records and calculations amounted to \$58,624,559, none of which was claimable at that date.

Autonomous City of Buenos Aires, November 09, 2021

PRICE WATERHOUSE & CO.S.R.L.

(Partner)

Dr. Ezequiel Luis Mirazón

REPORT FROM THE SUPERVISORY COMMITTEE

To the Shareholders of
Transportadora de Gas del Norte S.A.

Documents reviewed

In accordance with the provisions of Section 63, Subsection b) of Buenos Aires Stock Exchange (Bolsa de Comercio de Buenos Aires) Regulations, we have reviewed the enclosed Interim Condensed Financial Statements of Transportadora de Gas del Norte S.A. (hereinafter “the Company” or “TGN”), which comprise the Interim Condensed Balance Sheet as of September 30, 2021, Interim Condensed Statement of Comprehensive Income for the nine-month period ended September 30, 2021, and Statement of Changes in Shareholders’ Equity and Statement of Cash Flows for the nine-month period ended as of that date, and selected notes.

Balances and other information for fiscal year 2020 and interim periods are an integral part of the aforementioned Financial Statements and therefore should be considered in relation with those Financial Statements.

Management Responsibility

The preparation and presentation of said documents are the responsibility of the Company’s Board, in exercise of its exclusive duties, and in full observance of applicable regulations. This responsibility includes the design, implementation and maintenance of an adequate and efficient internal control system so that such statements are free from significant distortions caused by errors or irregularities, and also includes the selection and application of appropriate accounting policies and the most reasonable estimates under the prevailing circumstances.

Supervisory Committee’s Responsibility

We conducted our review of the documents referred to in the first paragraph in accordance with Statutory Auditing Standards in force. Those standards require that the review is conducted in accordance with standards applicable to assignments for review of interim financial information and that the consistency of significant information contained in those statements is verified against the information on corporate decisions set forth in minutes, including the consistency of those decisions with the Law and the Company’s Bylaws concerning their formal and documentary aspects.

We have also examined the Review Report on the Interim Condensed Financial Statements prepared by independent auditor Ezequiel Luis Mirazón (CPA), Partner of Price Waterhouse & Co. S.R.L., dated November 9, 2021, issued in compliance with standards applicable in Argentina for the “Review of Interim Financial Information developed by the Company’s Independent Auditor”. Our review included the verification of the work planning, scope, nature and timeliness of the procedures followed and the results of the review conducted by said professional.

We have not conducted any management review and therefore we have not assessed business decisions and criteria concerning the provision of the gas transportation utility service, its administration and commercialization, since these issues are the exclusive responsibility of the Board and are beyond the scope of this Supervisory Committee.

Conclusion

We believe that the scope of our work and the Independent Auditor's Report provide us with a reasonable basis for our opinion, and in accordance with applicable regulations we inform that the Interim Condensed Financial Statements as of September 30, 2021, discussed and approved by the Company's Board on the date hereof, include all material facts and circumstances that have come to our knowledge.

Report on compliance with applicable regulations

- a) The Interim Condensed Financial Statements are derived from accounting systems, which records are entered on books kept, in all formal respects, in accordance with applicable legislation, and comply with the provisions of the Argentine General Company Law and National Securities Commission resolutions, except that they are pending to be signed.
- b) As regards the above mentioned Interim Condensed Financial Statements and the additional information to the Notes thereto required under Title IV, Chapter III, we have no other remarks than those above stated.
- c) We have complied with the requirements of Section 294 of the Argentine General Company Law during the reported period.
- d) We have verified compliance with the legal requirements established in National Securities Commission General Resolution No. 830/2020 regarding the "remote" conduct of the Board meeting at which the Interim Condensed Financial Statements as of September 30, 2021 have been approved.
- e) Note that certain Board, Supervisory Committee and Shareholders' meetings, have been "remotely" held in compliance with Emergency Decree (D.N.U.) No. 297/2020 and amendments thereto, as well as with C.N.V. General Resolution No. 830/2020, and the minutes where discussions held at those meetings are reflected have not been yet fully transcribed or signed in the pertinent books.

City of Buenos Aires, November 9, 2021.

By the Supervisory Committee

Dr. Pablo Lozada
Regular Statutory Auditor