TGN

Financial Statements as of December 31, 2023 in thousand Pesos, on a comparative basis

Free translation from the original in Spanish for publication in Argentina

INDEX

Free translation from the original in Spanish for publication in Argentina

Registered address: Avenida del Libertador 7208 – 22nd floor – City of Buenos Aires.

FINANCIAL STATEMENTS as of December 31, 2023, 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, September 15, 2017 and May 24, 2022.

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 (Note 15)

Classes of Shares	**Subscribed and Paid-in**	
	12.31.23	**12.31.22**
	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.

Pablo Lozada
Regular Statutory Auditor

Emilio Daneri Conte-Grand
President

Free translation from the original in Spanish for publication in Argentina

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

As required under statutory and legal provisions, the Board of Directors of Transportadora de Gas del Norte S.A., hereinafter “TGN” or “the Company”, herein submits to the Shareholders, for their consideration, the Annual Report, the Report on Code of Corporate Governance, Balance Sheet, Statement of Comprehensive Income, Statement of Changes in Shareholders’ Equity, Statement of Cash Flows, Notes and Overview for the thirty-second fiscal year running from January 1, 2023 to December 31, 2023, which information should be jointly read, reviewed and interpreted in order to have a full picture of relevant corporate matters during the year.

BOARD AND SUPERVISORY COMMITTEE

	Regular Directors	**Alternate Directors**
Chairman:	Emilio Daneri Conte-Grand	Pablo Chebli
Assistant Chairman	Luis Alberto Santos	Fernando Pelaez
	Jorge Casagrande	Carlos Bautista
	Emilio Nadra	María Esperanza Del Rio
	Juan José Mata	Fernando Moreno
	Ignacio Casares	Claudio Gugliuzza
	Angel Carlos Rabuffetti	José Bejar
	Ricardo Ferreiro	-
	Diego Antonio Blasco	Gustavo Kopyto
	Alberto Saggesse	Roberto Helbling
	Hugo Vivot	Rufino Arce
	Enrique Waterhouse	María López Isnardi
	Sergio Revilla Cornejo	José María Nelson
	Marcelo Blanco	Pablo Mautone

	Regular Statutory Auditors	**Alternate Statutory Auditors**
	Pablo Lozada	Marcelo Urdampilleta
	Juan José Valdez Follino	Andrea Barbagelata
	Oscar Piccinelli	Graciela Gazzola

Free translation from the original in Spanish for publication in Argentina

ANNUAL REPORT OF TRANSPORTADORA DE GAS DEL NORTE S.A. FOR THE THIRTY-SECOND FISCAL YEAR BEGINNING ON JANUARY 1, 2023 AND ENDING ON DECEMBER 31, 2023

1 – ECONOMIC CONTEXT

The Company operates within a complex economic context due to macroeconomic conditions, where the main variables have experienced, and are expected to continue to experience a strong volatility.

During 2023, the development of the Argentine economy was marked by three determining factors: the presidential elections, the drought that had a strong impact on the inflow of dollars into the country, and the acceleration of inflation.

As for the program the country has with the International Monetary Fund ("IMF" or "the Fund"), during the fiscal year such program went through the fourth, fifth and sixth reviews. The first review involved the approval of disbursements for US$ 5,400 million, while as part of the other reviews an additional amount of US$ 7,500 million was authorized. On the other hand, during the fiscal year the Republic of Argentina ("Argentina") faced maturities with the Fund for US$ 12,980 million on account of principal, and US$ 2,141 million on account of interest. As for the targets initially set, even if said targets softened as a result of the drought, Argentina nonetheless did not manage to achieve them, due to the expansive fiscal policy implemented during the second half of the year, the advocacy of the appreciated real exchange rate, and a strong intervention in the financial dollar market.

As regards fiscal matters, the primary deficit is expected to be 2.6% of the Gross Domestic Product ("GDP"), with the target committed with the IMF being 1.9% of GDP. Spending dropped 1.3% of the GDP, whereas revenues dropped 1.4%.

As for gross reserves held by the Central Bank of Argentina ("BCRA") as of year-end, such reserves amounted to US$ 23,073 million[1], and according to private sources, net reserves ended up being negative at US$ 8,100 million. The trade balance of goods as at year-end showed a US$ 6,926 million deficit (approximately 1% of GDP), which meant a marked US$ 13,800 million decrease with respect to the US$ 6,900 million surplus in 2022. This is mainly due to the fact that, as a result of the drought, exports of primary products dropped by 40% in average, while exports of manufactured agricultural products dropped by 27% in average. The drought impact could not be compensated with the drop in imports or the recovery of the energy trade balance which, according to estimates, reached a deficit of US$ 46 million as of year-end, well below the US$ 4,359 million deficit for 2022.

In light of the low international reserves above described, the BCRA continued to implement exchange controls including the implementation of new regulations and several mechanisms for the approval of imports, which affected the economic activity and led to record levels of commercial debt related to imports. According to the commercial debt registry compiled by the incoming government, the net debt with importers reached the amount of US$ 42,600 million.

On the other hand, in order to incentivize the inflow of foreign currency from exports, various settlement schemes were established throughout the year, combining a certain percentage of sales at the official exchange rate and the remainder at the financial exchange rate. At the end of the fiscal year, the prevailing scheme sets the settlement of exports at 80% at the official exchange rate and the remaining 20% at the financial rate.

In terms of economic activity, 2023 is expected to close with a GDP decline of 0.9%, thus ending two years in a row of growth that had occurred after the COVID pandemic.

Additionally, Argentina entered a cycle of strong inflation acceleration. In January, the Consumer Price Index ("CPI") was 6%[2], and by December, this index reached 25.5%[2]. The year ended with a CPI of 211.4%[2], thus accelerating against the 2022 record of 94.8%[2].

[1] ***According to the Statistics Bulletin published by the Central Bank of Argentina.***

[2] ***According to the National Institute of Statistics and Census***

Free translation from the original in Spanish for publication in Argentina

In terms of the exchange rate, the BCRA has issued various regulations seeking to restrict access to the Free Foreign Exchange Market ("MULC"). At the same time, the official nominal exchange rate started the year at $177.16 per US dollar, and ended the year at $808.45 per US dollar, marking an increase of 356.4% in 2023 (compared to a 72.5% depreciation in 2022). On the other hand, the *'contado con liquidación'* exchange rate closed the year at $971, implying an annual increase of 183.4%.

Finally, the most recent "*Market Expectations Survey*" published by BCRA anticipates for 2024 an economic contraction of 2.6%, a retail inflation rate of 213% and a Peso-US dollar exchange rate by year-end of $1,700.

2. GAS INDUSTRY IN ARGENTINA

The natural gas is the predominant energy source in Argentina, representing 45.6% of the energy mix.
Primary Energy Supply by Source (2022)

	Oil	Natural Gas	Coal	Nuclear	Hydroelectricity	Renewable	TOTAL
USA	37.7%	33.1%	10.3%	7.6%	2.5%	8.8%	100.0%
Canada	30.2%	31.0%	2.8%	5.5%	26.4%	4.2%	100.0%
Mexico	47.1%	39.8%	2.9%	1.1%	3.9%	5.1%	100.0%
Total average North America	38.3%	34.6%	5.3%	4.8%	11.0%	6.0%	100.0%
Argentina	38.3%	45.6%	1.4%	1.9%	6.1%	6.7%	100.0%
Brazil	37.3%	8.6%	4.4%	1.0%	29.9%	18.9%	100.0%
Chile	44.7%	15.1%	12.3%	0.0%	11.7%	16.2%	100.0%
Colombia	44.0%	20.6%	4.6%	0.0%	27.5%	3.2%	100.0%
Ecuador	67.1%	2.5%	0.0%	0.0%	29.1%	1.3%	100.0%
Peru	41.3%	28.9%	2.5%	0.0%	23.1%	4.1%	100.0%
Trinidad & Tobago	8.5%	91.5%	0.0%	0.0%	0.0%	0.0%	100.0%
Venezuela	24.0%	47.5%	0.0%	0.0%	28.5%	0.0%	100.0%
Other South and Central America	60.4%	8.1%	4.6%	0.0%	19.0%	7.9%	100.0%
Total average South and Central America	40.6%	29.8%	3.3%	0.3%	19.4%	6.5%	100.0%

Source*: BP Statistical Review of World Energy.*

By 2022 year-end (most recently published data) proven natural gas reserves amounted to approximately 449 thousand MMm3 and, as of that date, the reserve horizon, considering 2022 estimated production, was 9.2 years. Additionally, in accordance with data published by the Argentine Oil and Gas Institute (IAPG), probable reserves, as of that date, represented 49% of proven reserves.

Showing an increased share year after year, non-conventional reservoirs presently represent more than 45% of proven and probable reserves, being the most significant one that from Vaca Muerta geological formation in the Neuquina Basin. According to an estimate from the US Energy Information Administration, technically recoverable non-conventional gas resources in Argentina amount to 802 trillion cubic feet (802 tcf), of which, almost three quarters come from Neuquina Basin. Said potential is equivalent to approximately 55 times proven reserves.

NATURAL GAS – 2022 Reserves and 2023 production (million m3)

Basin	Proven Reserves	Probable Reserves	Proven + 50% Probable	Production (*)	Horizon: (Proven Reserves/Production) [Years]
Austral	78,197	62,947	109,670	9,535	8.2
San Jorge Gulf	34,133	14,861	41,564	4,125	8.3
Neuquina & Cuyana	326,188	142,815	397,595	33,573	9.7
Northwest	10,529	1,398	11,228	1,320	8.0
TOTAL ARGENTINA	**449,047**	**222,021**	**560,057**	**48,553**	**9.2**

Source*: IAPG.*

(*) Estimated production for 2023, taking into account November 2022-October 2023 rolling year

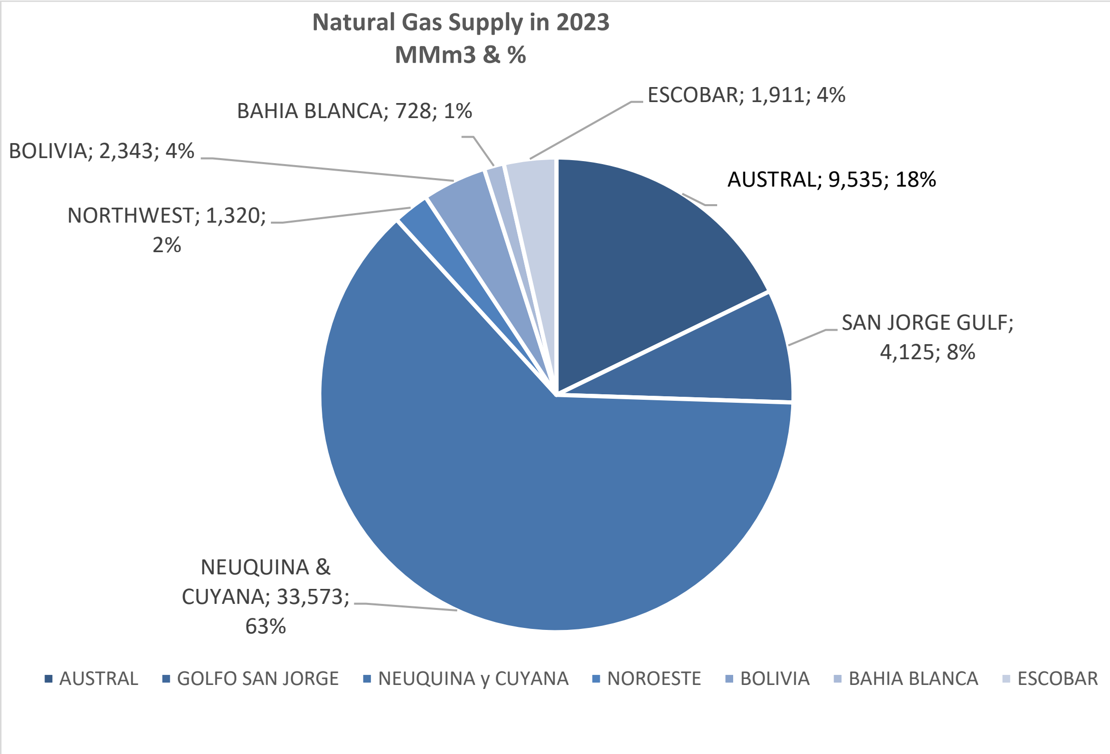
Natural Gas in Argentina. Production, Imports and Demand

Following a 21% drop in local gas production between 2004 and 2014, the industry then started to recover during the subsequent five years (2015-2019) showing a cumulative increase of 19% against 2014. In 2020, against the economic crisis aggravated by COVID-19 pandemic, the sector was again affected and the growth path reverted. Total gas production showed a decrease of 9% with respect to 2019, while non-conventional production – shale and tight gas –decreased by approximately 8%. In November 2020, in order to promote the local gas production recovery, the National Government established, through Necessity and Urgency Decree No. 892/2020, a natural gas production promotion plan called "*Plan Gas.Ar*". Said plan promotes investments in production development, establishes gas prices partially subsidized by the National Government to remain in place for a four-year period, and elicits from producers the commitment to recover winter 2020 production volumes.

As a result of the implementation of said plan, 2021 production levels experienced a sustained growth which continued into 2022, with a 7% increase as compared to 2021, thus exceeding 2019 production. In November 2022, the National Executive Branch ("PEN") by means of Necessity and Urgency Decree No. 730/2022, approved the "*Reinsurance plan and promotion of federal hydrocarbon production, internal self-sufficiency, exports, import substitution and expansion of the transportation system for all hydrocarbon basins in the country for the period 2023-2028*". Under said decree, rounds 4 and 5 of *Plan Gas.Ar* were awarded during December 2022, extending said plan's original period until 2028 and increasing the total volume to 96.8 MMm3/d. The plan continues to envisage the issuance of export permits both for firm and interruptible modalities. Production levels during 2023 slightly exceeded those in 2022, with an increase of 0.2%[3].

Gas imports account for a large share of Argentina's supply. In 2023, it accounted for approximately 9% of the total annual volume, with a 18% drop as compared to 2022. Liquefied natural gas ("LNG") imports through the regasification tankers located in Escobar and Bahía Blanca, both in the Province of Buenos Aires, totalled 1,911 and 728 MMm3, respectively, i.e. 15% higher than 2022 volumes. Just as in previous years, no gas volumes were imported from the Republic of Chile ("Chile") in 2023. Imports from the Plurinational State of Bolivia ("Bolivia") totalled 2,343 MMm3, showing a decrease of 39% with respect to the previous year.

[3] ***Taking into account November to October rolling year for each period.***



In October 2020, the Company submitted to the National Gas Regulatory Entity ("ENARGAS"), an "*Integral Strategic Plan for Current and Future Supply from the Northern Pipeline and Related Pipelines*", under which works are proposed to be undertaken along the Northern Pipeline in line with future supply perspectives, considering the decline in imports from Bolivia. Said plan involves the closure of certain sections of that pipeline that are neither necessary nor efficient to meet the demand, and the construction of other sections to allow a greater supply from the Neuquina Basin. In December 2021, ENARGAS instructed the allocation to Compañía Administradora del Mercado Mayorista Eléctrico S.A. ("CAMMESA") of a transportation capacity of 2 MMm3/d along "Salta - Litoral" and "Salta - Greater Buenos Aires" sections constructed under the expansion trusts. As a result, the assets to be possibly decommissioned, in absence of ENARGAS objection, would consist of 212 km of 16" pipes.

On February 7, 2022, the Energy Secretariat, specifically the Hydrocarbons Undersecretariat, issued Resolution No. 67/22 whereby it created the "*Gas Pipeline System Program - Transport.Ar Producción Nacional*" (the "Program"). Said program is intended to execute works aimed at streamlining the gas pipeline system and increase natural gas production and supply, as well as exports. Said resolution approves a list of works to be executed by *Energía Argentina Sociedad Anónima* ("ENARSA"), directly or through third parties, and establishes that the Energy Secretariat will lead the Program by prioritizing works and projects and their pertinent stages.

On February 14, 2022, the PEN enacted Necessity and Urgency Decree No. 76/2022, whereby ENARSA was granted the transportation concession along *Presidente Néstor Kirchner Gas Pipeline* ("GPNK") for a term of 35 years, including eventual extensions. Said decree delegated on ENARSA, in its capacity as contracting party, the power to call for tender, contract, plan and execute the construction of infrastructure works comprised in the Program. Also, an administration and financial trust under the name of *Fondo de Desarrollo Gasífero Argentino* ("FONDESGAS") was created for administering the resources and financing, either in whole or in part, of the infrastructure works under the Program. ENARSA acts as trustor and beneficiary of FONDESGAS and *Banco de Inversión y Comercio S.A.* ("BICE") acts as trustee. Funding sources for FONDESGAS include, among others, eventual specific charges under Law No. 26,095 or other fixed charges to be applied on the whole gas pipeline system.
By mid-October 2022, the first stage started, which comprises (i) the construction of GPNK gas pipeline between the locality of Tratayén (located in the Province of Neuquén) and the locality of Salliqueló (located in the Province of Buenos Aires), (ii) the construction of a gas pipeline between the localities of Mercedes and Cardales (both located in the Province of Buenos Aires), (iii) the expansion of NEUBA II pipeline, and (iv) the expansion of the final pipeline sections in Buenos Aires Metropolitan Area ("AMBA"). The Program also includes the reversal of the Northern Pipeline and the expansion of various

sections of the Central West pipeline. In December 2022, the Company proposed ENARGAS to undertake works for the reversal of the Northern Pipeline that would allow to increase the reversal capacity from current 7 MMm3/d to 10 MMm3/d, to be executed and funded by the Company, subject to a special rate increase that would allow to pay the cost of said work. Said proposal was approved by the Energy Secretariat on January 19, 2023 by means of Resolution 17/2023.

On June 19, 2023, the Ministry of Economy issued Resolution No. 828/2023 authorizing the execution of an agreement for the transportation of natural gas through the GPNK, between ENARSA and CAMMESSA, establishing that the funds collected by ENARSA for the transportation service under the agreement are to be exclusively reinvested in, and used to finance the expansion of the GPNK[4], including complementary and/or supplementary works to maximize the transportation capacity, all in accordance with the provisions of the Necessity and Urgency Decree No. 76/22, and its complementary regulations.

On June 22, 2023, the Energy Secretariat issued Resolution No. 532/2023 authorizing the final text of the agreement for the firm natural gas transportation service[5] previously mentioned. The agreement has a term of 35 years as from the ‘ready to operate’, with the possibility of automatic renewal. Additionally, it provides for a contracted daily capacity of 25 MMm3/d, distributed according to different construction stages, initially granting 11 MMm3/d to Salliqueló as from the ‘ready to operate’, to which 10 MMm3/d will be added once the compressor plants for the section between Tratayén and Salliqueló are operational, and the capacity effectively enabled for up to 14 MMm3/d in replacement of the additional capacity indicated above, as from the ‘ready to operate’ of the GPNK section between Salliqueló and the locality of San Jerónimo (located in the Province of Santa Fe).

On July 1, 2023, the Company completed part of the works for the reversal of the Northern gas pipeline, which allows for an increase in the reversed transportation volume by 40%. In 2023[6], a volume equal to 2,185 MMm3 was transported along the reversed section.

On July 24, 2023, ENARSA completed the expansion works along NEUBA II pipeline of Transportadora de Gas del Sur S.A. (“TGS”), included in the *Transport.ar plan*, generating an additional transportation capacity of 7 MMm3/d towards the AMBA.

On August 1, 2023, ENARSA completed the necessary works to on the GPNK and commenced its operation with a transportation capacity of up to 11 MMm3/d. For the period under consideration, the GPNK transported 1,123 MMm3/d, resulting in an average of 7.34 MMm3/d.

On August 26, 2023, ENARSA issued a call for bids under public tender “GPNK No. 02-2023”, aiming to contract under the EPC modality, the detailed engineering, services, supplies, and construction of the reversal works indicated in the Program, as per Resolution No. 76/2022. The tender is divided into three award items, as follows:

(i) The first item includes reversal works in four existing compressor plants in the provinces of Córdoba, Santiago del Estero, and Salta, the completion of two loop sections of approximately 50.5 km and 10.5 km each, respectively, along the Northern gas pipeline route, and the construction of a 22 km pipeline section to link the Tío Pujio and La Carlota compressor plants (both located in the Province of Córdoba).

(ii) (ii) Items two and three include the construction of two pipeline sections of 50 km each, which will connect to the previously mentioned compressor plants, totalling 122 km of pipeline.

[4] ***Gasoducto Presidente Néstor Kirchner – Stage II – Salliqueló – San Jerónimo Section.***

[5] ***Firm agreement: Cost for capacity reserve, consisting of a fixed charge plus withheld gas considered for transportation, for a defined period of time.***

[6] ***Based on actual data for November 2022 to October 2023 rolling year.***

Free translation from the original in Spanish for publication in Argentina

On September 29, 2023, ENARSA received three technical-economic proposals for the execution of the works from companies “BTU S.A.” and “Pumpco Inc.” and from the Temporary Union (“UTE”) “TECHINT-SACDE”. On January 26, 2024, ENARSA awarded lines two and three to UTE “TECHINT-SACDE”. Regarding line one, on December 21, 2023, ENARSA evaluating committee recommended that the economic proposals received be rejected. Therefore, on February 5, 2024, ENARSA called for two new tenders; one for the pipeline works and the other one for the works at compressor plants, thus dividing the works originally comprised in line one by type.

In order to allow shippers of the Northern gas pipeline to readjust their natural gas supply to the future supply scenario considering the reversal, the Company submitted a letter to ENARGAS on July 26, 2023, requesting the establishment of the bases for calculating the rates applicable to the provision of the transportation service in the reverse direction.

In conjunction with the development of the tender for the reversal of the Northern gas pipeline, in the month of October ENARSA launched the tender for the acquisition of the necessary pipes to carry out the second stage of the GPNK, which is currently under evaluation.

On November 29, 2023, ENARSA completed the necessary works to grant the ‘ready to operate’ of the “Mercedes-Cardales” pipeline (which links TGS and TGN systems), enabling the transportation of 106.6 MMm3 up to December 2023, averaging 3.21 MMm3/d. As part of the project, complementary works are ongoing to complete the compressor plant in the locality of Mercedes, which will maximize its transportation capacity and will thus achieve a transfer of 15 MMm3/d from the high-pressure systems located in the Greater Buenos Aires area.

As for gas exports, the volume exported in 2023 amounted to 2,147 MMm3, meaning a decrease of 8% as compared to 2022. However, export permits for firm transportation to Chile from Neuquina Basin for 9.00 MMm3/day, and from Austral basin for 0.4 MMm3/day for October 2023 up to and including April 2024 period, were authorized.

Gas supply by source in Argentina

Source		Annual Volume (MMm3)										
		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Production from Argentine Basins (1)	AUSTRAL	10,513	10,015	9,654	10,592	10,682	11,521	12,006	11,534	10,858	10,024	9,535
	SAN JORGE GULF	5,234	5,302	5,715	5,704	5,348	4,948	4,681	4,158	3,937	4,030	4,125
	NEUQUINA & CUYANA	22,700	23,273	24,675	26,021	26,165	28,392	30,383	27,703	28,963	32,989	33,573
	NORTHWEST	3,260	2,893	2,852	2,671	2,401	2,036	1,843	1,704	1,532	1,421	1,320
Imports from Bolivia (2)		5,719	6,013	5,977	5,767	6,618	6,014	5,134	5,463	4,695	3,842	2,343
LNG injection (2)	BAHIA BLANCA	3,296	3,261	3,095	2,230	2,213	1,691	-	-	1,162	1,023	728
	ESCOBAR	2,706	2,653	2,473	2,592	2,258	1,876	1,739	1,890	2,369	1,267	1,911
Imports from Chile (2)		-	-	-	357	275	214	-	-	-	-	-.
TOTAL		53,428	53,411	54,441	55,934	55,959	56,692	55,785	52,452	53,516	54,596	53,536

Sources:
(1) IAPG. Gross production. For 2023, volumes for November 2022 to October 2023 rolling year are considered.
(2) Daily Reports – ENARGAS

Free translation from the original in Spanish for publication in Argentina

Domestic Gas Demand – [MMm3/d]

	1993 to 1997 (4)	1998 to 2002 (4)	2003 to 2007 (4)	2008 to 2012 (4)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 (*)
Residential (1)	16.5	18.8	22.0	27.2	31.6	30.4	30.9	32.6	29.3	29.1	27.9	28.6	28.8	30.9	28.8
Commercial	2.5	2.7	3.1	3.5	3.9	3.6	3.7	3.8	3.5	3.4	4.0	2.9	3.1	3.4	3.6
Industrial (2)	20.9	23.0	27.7	29.3	30.0	30.1	30.7	29.2	30.6	31.9	32.7	29.6	28.8	29.3	30.4
Electricity Generators	19.8	25.6	29.2	35.5	39.6	39.8	40.9	43.6	47.3	47.1	41.4	39.4	44.1	36.6	37.3
CNG	2.8	4.6	8.1	7.4	7.6	7.8	8.1	7.7	7.0	6.6	6.7	5.1	6.4	6.5	6.2
Official Entities	0.9	0.9	1.1	1.2	1.2	1.2	1.2	1.3	1.2	1.2	1.2	0.9	1.1	1.3	1.2
PTR + Patagonian gas pipelines (3)	8.5	10.7	18.9	18.1	15.7	17.2	16.4	15.4	14.6	15.6	14.4	15.1	13.9	17.0	18.4
Subtotal commercial use	**71.9**	**86.5**	**110.2**	**122.2**	**129.7**	**130.3**	**131.7**	**133.6**	**133.3**	**134.9**	**128.2**	**121.7**	**126.2**	**125.0**	**125.8**
Fuel gas and withheld at gas pipeline	8.4	13.3	15.7	17.7	17.1	17.3	18.3	19.5	19.5	19.5	19.9	18.7	18.7	18.9	18.6
Total demand	**80.2**	**99.8**	**125.9**	**139.8**	**146.8**	**147.6**	**150.0**	**153.1**	**152.9**	**154.4**	**148.1**	**140.3**	**144.9**	**143.9**	**144.4**

(1) Including Sub-distributors.

(2) Not including Cerri Plant comprised in Plant Thermal Reduction ("PTR").

(3) Including volumes used in PTR (Mega, Refinor, Cerri, Tierra del Fuego, etc.) and Patagonian pipelines.

(4) Five-year average.

(*) For 2023, data for October 2022 to September 2023 rolling year is considered.

Sources: ENARGAS and Argentina's Energy Secretariat

From the privatization of the natural gas utility service by late 1992 up to 2023[7] an accumulated growth of gas demand of approximately 100% was recorded in the country, with an outstanding growth of 200% in compressed natural gas ("CNG") demand and 67% in industrial demand. Furthermore, the demand from the electricity generation segment recorded a 130% growth with respect to 1992. Residential gas demand decreased 7% as compared to previous year, recording a total increase of 77% against 1992. The industrial sector remains stable as compared to 2022. As for CNG, demand decreased by 4% against 2022.

3 – REGULATORY ASPECTS

TGN has been awarded a license (the "License") to render the natural gas utility service, which includes an exclusive right to operate the two TGN-owned gas pipelines existing in the North and Mid-west regions of Argentina. As a provider of an essential utility service, TGN is subject to governmental regulations under Act No. 24,076 (the "Natural Gas Act"), the enforcement authority of which is the ENARGAS.

7 ***For 2023, data for October 2022 to September 2023 rolling year is considered.***

Effects of the Economic Emergency on the License – Comprehensive Rate Review ("CRR")

The License went through a process of renegotiation under the Public Emergency Law No. 25,561 enacted in January 2002 ("LEP"), which further established the pesification of rates for natural gas transportation destined to the local market, and repealed the Producer Price Index based semi-annual rate adjustment mechanism. Against such legal framework, and after more than thirteen years of rate freezing, in March 2017 the Company executed with the PEN an agreement for renegotiating its License (the "Comprehensive Agreement") which was ratified and came into force through Decree No. 251 dated March 27, 2018. This put an end to the renegotiation process under the LEP. The Comprehensive Agreement provisions cover the contractual period from January 6, 2002 to the end of the life of the License.

The Comprehensive Agreement requires the Company to indemnify and hold the National Government harmless from and against arbitration awards obtained prior to its date of execution by former shareholders CMS and Total. The amount of said indemnity, to be determined, will not include any proportional reduction percentage that could have been established under the respective settlement agreements, will exclude amounts on account of default interest accrued against the National Government, and will be calculated at present value. By way of reference, these are the amounts established in the arbitration awards: CMS Gas Transmission Company vs. Argentina (case ARB/01/8, with award in favour of CMS for US$ 133.2 million, dated May 12, 2005), and Total S.A. vs. Argentina (case ARB/04/1, with award in favour of Total for US$ 85.2 million, dated November 27, 2013). The indemnity, for such amounts to be defined as above mentioned, shall be borne by TGN exclusively through sustainable investments, additional to those established by ENARGAS as mandatory investments, in gas pipelines and ancillary facilities in Neuquina Basin. These investments will not be reflected in the Company's rate base.

Between April 2014 and December 2017, TGN obtained successive interim rate increases to be computed toward the Comprehensive Rate Review ("CRR") undertaken by the ENARGAS effective March 2016. The CRR further established that between April 1, 2017 and March 31, 2022 the Company should undertake a Mandatory Investment Plan ("MIP") for approximately $ 5.6 billion, at December 2016 currency, with said amount to be adjusted in the same proportion as TGN rates. The Company was required to make the committed investment and also to execute the works established in the MIP.

The regulatory framework applicable to the industry allows for non-automatic, semi-annual rate adjustments by the cost of service, in order to maintain the economic-financial balance and the quality of service.

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).

The Social Solidarity and Production Reactivation Law, under the Public Emergency Framework Law No. 27,541 (the "Solidarity Law") enacted in December 2019, empowered the PEN to freeze natural gas rates under federal jurisdiction, and to start renegotiating the CRR, or else conduct 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. The PEN was further empowered to administratively intervene ENARGAS. Indeed, on March 16, 2020 the PEN instructed the intervention of the ENARGAS, 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.

Upon enactment of the Solidarity Law, the National Government announced its intention to suspend natural gas and electricity transportation and distribution utility rate adjustments for companies under federal jurisdiction for 180 days, to start the CRR renegotiation process that was in place since 2017, or conduct a rate review of an exceptional nature. On June 18, 2020, the PEN passed Necessity and Urgency Decree No. 543/20 by means of which it extended the rate freezing initially established under the Solidarity Law for another 180 consecutive days.

On November 20, 2020, ENARGAS Comptroller submitted a report to the National Energy Secretary and the National 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.

Following ENARGAS Comptroller's recommendation, on December 17, 2020 the PEN passed Necessity and Urgency 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, 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 No. 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 proposed 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 established under Decree No. 1020/20, making reservation of its rights and actions.

On June 1, 2021 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 involved: (i) that TGN rates remained frozen, (ii) that the Company will have to continue rendering the gas transportation service, (iii) the prohibition to distribute dividends, prepay loans with shareholders and acquire companies or grant loans (except to users or contractors other than the Company's shareholders) without ENARGAS previous approval, and (iv) that no mandatory investment plan applies during the IRR. The IRR also provided for the possibility that ENARGAS adjusts TGN rates as from April 1, 2022.

On June 30, 2021, the Company filed an appeal at administrative level against Decree No. 1020/20, MECON and ENARGAS Joint Resolution 2/21 whereby the IRR was approved subject to further approval by the PEN, Decree No. 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 Natural 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 prohibitions imposed by the IRR.

By means of Resolution No. 518/2021 dated December 27, 2021, the ENARGAS convened a new public hearing that took place on January 19, 2022, at which gas transportation and distribution licensees put forward their interim rate adjustment proposals for year 2022.

On February 18, 2022, TGN entered into an interim agreement with MECON and ENARGAS that established a 60% transportation rate increase effective as of March 2022 (the "2022 Interim Agreement"). Said agreement, that will remain in force until December 2022, unless extended by mutual consent of the parties, does not provide for mandatory investments but establishes: (i) that the Company will have to continue rendering the gas transportation service, (ii) the prohibition to distribute dividends, prepay loans with shareholders and acquire companies or grant loans (except to users or contractors other than the Company's shareholders), without ENARGAS previous approval, and (iii) that during the effective term, TGN and its controlling shareholder, Gasinvest S.A. ("Gasinvest") must agree not to file legal actions or claims against the National Government based on the rate freezing established under the Solidarity Law.

The 2022 Interim Agreement came into force on February 22, 2022, upon its ratification by PEN Decree No. 91/22 and through ENARGAS Resolution No. 59/22 dated February 23, 2022, approving the interim rates effective as of March 1, 2022, with an adjustment of 60%.

On December 6, 2022 the PEN enacted Necessity and Urgency Decree No. 815/22 providing for (i) the extension of the term for completing the CRR renegotiation provided for in Section 5 of the Solidarity Law for one year, and (ii) the extension of the term for ENARGAS intervention for one year or until the new rate charts resulting from the CRR renegotiation come into force, whichever the first. ENARGAS is thereby also instructed to take the necessary steps toward an interim rate adjustment, as provided under Decree No. 1020/20.

Therefore, by means of Resolution No. 523/22 dated December 7, 2022, the ENARGAS convened a new public hearing that took place on January 4, 2023, at which gas transportation and distribution licensees put forward their interim rate adjustment proposals for the current year.

On April 24, 2023 an addendum to the Interim Agreement was signed, which addendum came into force on April 28, 2023 once ratified through PEN Decree No. 250/23. Under ENARGAS Resolution No. 187/23, dated April 27, 2023, the new interim rate charts, effective as of April 29, 2023, were approved, with an adjustment of 95%.

On December 18, 2023, the PEN pronounced Necessity and Urgency Decree No. 55/23 whereby the PEN (i) declares the emergency in the energy sector until December 31, 2024, regarding the segments of generation, transportation and distribution of electric power under federal jurisdiction, and transportation and distribution of natural gas, (ii) instructs the Energy Secretariat within MECON to prepare, put in force and implement an action plan for the segments covered by the emergency in order to, among other things, assure the continued provision of the gas transportation and distribution utility service under technical and economic conditions that are suitable for both service providers and users, (iii) determines the commencement of the CRR process pursuant to article 42 of the Natural Gas Act, and establishes that the coming into force of the rate charts resulting from such process shall not be later than December 31, 2024, (iv) decrees the intervention of ENARGAS effective as of January 1, 2024 until designation of the Board members resulting from a selection process, (v) empowers the Energy Secretariat to designate the comptroller for the ENARGAS, and (vi) determines that the comptroller as such will have the power to run and administer the ENARGAS in accordance with the Natural Gas Act.

Thus, in line with said decree, the comptroller shall inform about compliance with the renegotiation processes provided under Decree No. 1020/20 and conduct the CRR. It is established that, until the CRR process is completed, interim rate increases and periodic adjustments may be approved, aimed at assuring the continued and normal provision of the utility service, which interim increases and adjustments will be on account of the final rates resulting from the rate review.

Accordingly, through Resolution No. 704/23, ENARGAS convened a new public hearing (No. 104) that took place on January 8, 2024, where gas transportation and distribution licensees submitted their interim adjustment proposals for the current year, and TGN submitted its proposal in respect of rates and allocation of transportation capacity for the reversal of Northern pipeline.

Subsequently, on February 29, 2024 another public hearing was held convened by the National Energy Secretariat through Resolution No. 8/24 in order to analyse: (i) the redetermination of the subsidy scheme in order to assure access to basic and essential gas and electricity service, (ii) the impact of subsidies on the seasonal price of electricity ("PEST") in the wholesale electric market, and on the price of gas at the point of entry to the transportation system ("PIST"), and (iii) the readjustment of the social gas cylinder subsidy scheme.

Meanwhile, on February 9, 2024, ENARGAS published Resolution No. 42/24 which (i) declared the validity of public hearing No. 104, (ii) announced that the new interim transportation and distribution rates will come into force within 30 administrative business days from said publication, (iii) informed that a mechanism for monthly rate updates is under study and will be announced within 90 administrative business days from said publication, and (iv) informed that the criteria for rate establishment and capacity allocation for the reversal of the Northern pipeline will be established at the time of the Five-Year Rate Review set forth under Decree No. 55/23.

4 – FINANCIAL POSITION

As of year-end, TGN total financial debt amounted to $ 52,906.0 million, of which 85% is denominated in US dollars, and the remaining 15% is denominated in pesos.

The outstanding balance of the debt in pesos is a short term loan at a fixed rate taken in the last two months of the fiscal year and which, to date, has a maturity of less than sixty days.

As to the debt in US dollars, during the fiscal year interest was paid for an amount of US$ 0.8 million of the debt that the Company has since October 2022 with Itaú Unibanco Nassau Branch on the following terms and conditions:

- Amount: US$ 55,000,000.
- Term: twenty-four months.
- Amortization: 100% at maturity.
- Interest: quarterly.
- Rate: 1.50% p/a.
- Prepayment: total or partial at any time without any cost or penalty.
- Guarantee: first lien for the amount of US$ 56,500,000.

Additionally, during the last quarter of the fiscal year, financing for imports was obtained for a total of US$ 0.8 million, with an average maturity of less than 150 days.

Thus, and in spite of the challenging economic context, the Company has met all the financial commitments assumed.

5 – TGN' S ACTIVITY

With a 6,806 km gas pipeline network, TGN provides the natural gas transportation service via high-pressure gas pipelines in the Central and Northern regions of Argentina. TGN also operates and maintains 11,100 km of both own and third party pipelines. Through its two main gas pipelines, Northern and Central West, TGN supplies gas to eight of the nine gas distributors as well as to several power plants and industries across seventeen Argentine provinces. TGN system is connected to "*Gas Andes*" and "*NorAndino"* gas pipelines, built in due course to transport gas to the Central and Northern regions of Chile, respectively; to the "*Entrerriano*" Gas Pipeline, which transports gas to the Province of Entre Ríos and the Uruguayan coastline, to *Transportadora de Gas del Mercosur S.A*. pipeline and to the *"Northeast Gas Pipeline"* ("GNEA"). The Company also operates and maintains midstream facilities upstream its system at Vaca Muerta Field (Neuquina Basin), as well as along these gas pipelines "*Gas Pacífico Argentina*", "*Loma Campana*" (YPF Luz) and "*Fortín de Piedra*" (Tecpetrol S.A.). Additionally, TGN provides operation and maintenance services to *Gasoducto de Integración Juana Azurduy* ("GIJA") in Argentine territory. This pipeline extends along 30 km from the Argentine-Bolivian border to Refinor S.A. plant in the Province of Salta, and connects to the Northern pipeline system and GNEA intake.

Since the beginning of its operations in 1992, TGN has, on its own and in association with third parties, expanded its transportation capacity from 23 MMm3/d to 62 MMm3/d, representing an approximately 169% increase. These expansions, as well as the great number of maintenance and integrity works, required investments by TGN for US$ $1,584.6 million. In physical terms, those expansions required the installation of 2,619 km of new gas pipelines, the construction of eight new compressor plants and the installation of twenty-one turbo-compressors, which added 216,250 HP of installed capacity.

6 – OPERATIONAL HIGHLIGHTS

Gas Transportation

- The volume of gas received and transported during the fiscal year reached 18,157 MMm3, that is, an average of 49.75 MMm3/d, distributed as follows: 31.3 MMm3/d, Central West pipeline, 8,96 MMm3/d, Northern pipeline, and 9.5 MMm3/d were delivered in the Province of Buenos Aires.

- Maximum daily injection values at intake were 36.4 MMm3/d in Central West pipeline and 15.6 MMm3/d in Northern pipeline.

- As regards the Northern pipeline, average injection by local producers was 3.06 MMm3/d while the rest was gas imported from Bolivia, which reached an average of 5.91 MMm3/d, with injection peaks of 12.88 MMm3/d during July and September.

- As to injection received in the Province of Buenos Aires, a total volume of 1,911 MMm3 of liquefied natural gas ("LNG") was received in the district of Escobar, mostly during the period from April to August, with a maximum daily injection of 20.2 MMm3/d. In the locality of General Rodríguez, Transportadora de Gas del Sur S.A. injected a total of 1,327 MMm3. Starting in November, injection from "*Mercedes-Cardales*" gas pipeline was added, with average volumes of 3.2 MMm3/d, totalling 107.2 MMm3.

- In 2023, gas exports to Chile through *Norandino* gas pipeline amounting to 400,000 m3/d resumed after many years.

Operational Excellence

In due course, the Company's Operations Management Department has issued a document with operational guidelines called "*A journey toward Operational Excellence*". In essence, the vision is supported on three fundamental pillars to achieve excellence: "*People*", "*Processes*" and "*Technology*".

- In terms of "*People*", by training and implementing competence certification processes, as well as by establishing partnerships with universities and academic sectors (e.g., *Asociación de Empresas de Petróleo, Gas y Energía Renovable de América Latina y El Caribe* ("ARPEL"), IAPG, etc.), in order to share experiences with other operators and also attending national and international conferences, so as to attain a professional management.

- In terms of "*Processes*", by updating business processes, adjusting them to new requirements, seeking their digitalization as well as prioritizing the concepts of safety, quality and efficiency.

- In terms of "*Technology*", by innovating and going beyond the limits, with topics such as Machine Learning, Internet of things, etc.

The vision contained in that document is consistent with the Company's Vision and Mission and is strongly connected to three strategic goals that have been pursued in recent years. These are:

- Strengthen TGN's Know How: by consolidating the technical career, training and certifying staff and reinforcing the relationship with universities.

- Manage the cultural change project on safety matters, setting annual milestones to be met along time to evidence progress made in said project.

- Ensure facility maintenance and pipe integrity management quality, aimed at maximizing transportation capacity in line with a prudent, efficient and diligent operation, as required under the License.

The Company is working to make this *Operational Excellence* vision part of the global energetic transition context. To that end, the goal to reach zero net greenhouse gas emissions in transmission operations by 2050 has been set in due course. In order to appropriately define this goal, the Interstate Natural Gas Association of America commitment issued in 2021 has been taken as reference. Accordingly, a multidisciplinary team has been created that is evaluating and developing technical alternatives to drive down emissions from gas pipeline venting. Based on a preliminary study conducted by said team, a five-year goal has been established, including that of raising awareness and training the staff in environmental protection and sustainability matters.

Integrity of Facilities

- The Company was able to conduct a comprehensive cathodic protection inspection on its facilities by remotely monitoring current injection equipment and the use of other technologies, and continued with the Cathodic Protection System ("CPS") program, and the technological upgrade of rectifiers. During 2023, 21 new equipment was added to the system, which allowed to achieve a 100% implementation over the total number of TGN licensed equipment, anticipating for 2024 specific improvements to strengthen and increase efficiency. Also, a new field mobile application (*App Mobile*), connected to the corporate information system (SAP) was implemented for surveying CPS equipment, corrosion cores, casing pipes, and potential measurement points, thus achieving shorter inspection times, traceability and a better data quality.

- Pipeline inline inspection and repair programs were carried out by applying different technologies to achieve a greater detection and interaction of threats and system georeferencing. Scraper runs were implemented to detect corrosion and geometrical anomalies along nine sections of TGN system; also, the tool *Electro Magnetic Acoustic Transducer* ("EMAT") was run along sections 35 & 36 (Central West Pipeline), sections 8 & 13 (Northern Pipeline), and section 66 ("*Aldao – Santa Fe*" pipeline). Additionally, the scraper was run along third party pipelines, such as *Petrouruguay* pipeline, *Tecpetrol S.A.* pipelines in the Comahue region, as well as along *Gasoducto del Pacífico Argentina S.A.*, where the scraper was run across the Andean Mountains which required an outstanding effort on the part of the companies.

- As for the crack management program, progress has been made around the study of materials, by conducting laboratory and specialized mechanical and fractomechanical tests. Failures continued to be analysed, including ruptures occurred during both the service and hydraulic tests, in order to determine root causes and thus strengthen the integrity program. Also, efforts were made to improve on-site non-destructive tests and develop new suppliers, thus improving the safety factors in line with reported cracks.

- Efforts with supplier ROSEN continued to deepen actions aimed at improving the performance of the EMAT tool. Throughout 2023, non-destructive and destructive tests were conducted, and a new inspection was carried out, taking into account the lessons learned process. This process will continue in 2024 with the analysis of results and performance metrics.

- Regarding the overhead pipe integrity plan, surveys were conducted at Puelen, Beazley, La Carlota, Miraflores, Lumbreras, Lavalle, and Ferreyra compressor plants. Structural integrity studies were conducted at 73 meter and regulating stations in the North, and slim nipples were surveyed at La Mora and Beazley compressor plants for future retrofit. Also, nipples were retrofitted at San Jerónimo Compressor Plant and x-rays were taken of circumferential seams at Beazley and Ferreira Compressor Plants.

- The internal corrosion program was continued to be reinforced with specific monitoring and mitigation actions such as laboratory analyses, studies to determine the corrosive potential of the transported fluid and analyses through hydrodynamic simulations. Progress was made with the acquisition of scrapers to carry out inline cleaning programs. An interdisciplinary annual internal cleaning plan for critical sites of the system was consolidated for 2024. Regarding records, work was done on a mobile application to register internal cleanings, and collaboration with the supplier ROSEN was undertaken to improve the quality of the records provided for each stage. Experiences were exchanged with carriers from other countries, and work was done with an external supplier, leader in the field, on the definition of the main premises and mitigation of this threat. An internal procedure for managing internal cleanings is currently underway.

- The new PART G of the Argentine Gas Standard NAG-100 was complied with by updating safety assessment reports on specific sites where surrounding conditions have experienced changes. Additionally, the quantitative risk analysis (QRA) module of the integrity software was launched.

- The implementation of the "*Damage Prevention Program*" in compliance with API 1162 standard continued through awareness sessions, while satellite and aerial images taken by drones, as well as terrestrial surveys were used for the close inspection of particular pipeline sections.

- The use of new applications for surveying construction works, signalling and recording prevention inspection visits started to be implemented.

- The prevention specialist team continued to grow stronger by increasing their number to thirteen assistants strategically distributed.

Projects and Works on Gas Pipelines, Meter and Regulating Stations and Compressor Plants

TGN undertook a program involving projects and works to maintain its transportation system. The main activities conducted were as follows:

- Completion of 29.5 km recoating along sections 3, 5, 6 and 13 of main Northern pipeline.

- Upgrade of Tío Pujio and Leones Compressor Plants, linked to the reversal of the Northern gas pipeline, which allowed for an increase of more than 40% in the transportation capacity from the south of the province of Santa Fe to the centre of the province of Córdoba, increasing from 7 MMm3/d to 10 MMm3/d. Additionally, basic and detailed engineering of other Northern gas pipeline reversal works was carried out, and functional tests were conducted for reverse compression at Recreo and Lavalle Compressor Plants.

- Replacement of the SOLAR panel of the turbogenerator unit at La Carlota Compressor Plant and procurement of the SOLAR M100 turbocompressor panel for Chaján Compressor Plant.

- Replacement of 30" line block valves in section 15 and 24" line block valves in section 13, due to leakage issues. Additionally, 24" line block valves were installed to adjust the spacing between them along section 1 of the Northern main pipeline and along section 16 of the parallel pipeline, near the locality of Tartagal.

- As part of the action plan for layout Class 3 areas and sensitive areas in section 13, a 460 meter-long pipe replacement near School No. 8 – República Oriental del Uruguay is nearing completion, as well as a pipe replacement based on design factors through directional drilling at the crossing of Provincial Route No. 41, with an approximate length of 250 m.

- The revamping of drainage systems and the modular ecological plant at Puelén and Pichanal Compressor Plants is currently underway.

- Development and implementation of a pilot operation using the in-line re-injection technique (compressor pulldown) in a section of the gas pipeline, linked to the goal of managing gas emissions.

- Hydraulic tests were conducted along section 10 (26 km), along section 11 (31.7 km) and section 12 (36 km). The test along this latter section was conducted at such a pressure that allows, on the one hand, to mitigate the threat of cracks resulting from spike tests, and on the other, to provide the tested segment with a reasonable safety factor, and generate test records.

- A total of 191 test holes were drilled throughout TGN system, along with eleven for third-party pipelines (*Gasoducto del Pacífico Argentina S.A.* and *Entrerriano Gas Pipeline*, CEGSA -).

- Adaptation works in the following river crossings are nearing completion: Vipos River, Lavayén River, Balbuena Stream, and Las Cañitas Stream. Additionally, adaptation works have been made to the following river crossings: Negro River, South and North tributaries-, San Lorenzo River, and Piedras River.

- New connections were made to the parallel gas pipeline in stations that were previously only connected to the main pipeline in the province of Córdoba, specifically in the localities of Sierras Chicas, Oncativa, Calamuchita, and Laguna Larga.

- In relation to client Gasoducto del Pacífico S.A., tasks began in 2023 for the start-up of San José de Añelo Compressor Plant. Among the works, the installation of a new separator filter at the entrance of the plant is contemplated, which will work jointly with the existing one, allowing the operation of the two separators in series or in parallel. In addition, it will have a "Blow Case" system that will allow the re-injection of the liquids accumulated by the separators into the plant discharge.

- The Hazard and Operability Study ("HAZOP") of Lavalle Motor-Compressor Plant was conducted.

- Directional drilling of Provincial Route No. 41 crossing, along section 13, was carried out. Open-cut crossing of the access road to Provincial Route No. 157 was also executed, such road is located in section 7 of the Northern gas pipeline. The aim of both works was to adjust the design factor of the pipes.

- Equipment was procured for the retrofit of the control system and auxiliary equipment of the SOLAR MARS 100 turbocompressor at Chaján Compressor Plant, and factory tests were conducted to prepare the equipment for installation. Additionally, for this compressor plant, materials were purchased and the project for replacing the plant control system was initiated.

- Installation and start-up of the retrofit for the control system and auxiliary equipment of the two Solar Saturn turbogenerators at La Carlota Compressor Plant.

- Replacement of the Control Net network with Ethernet in the control system at Tío Pujio Compressor Plant.
.
- ISA 18.2 and 101 standards were applied, and the Human Machine Interface (HMI) system was replaced in three Ruston Turbocompressors at Beazley Compressor Plant.

- Various tasks were carried out at certain Meter and Regulating Stations located in the Northern gas pipeline (adjustments to measurement systems, renewal of indirect heater ignition systems, removal of liquid accumulator tanks, branch line adjustments, installation of blowdown relief valves, etc.).

- Six and 10 barrels were manufactured in 2022 and 2023, respectively, for fixed scraper traps along Central Western pipeline. During the fiscal year, all 16 scraper traps were installed.

Operation and Maintenance for own and third party pipelines

Activities to be highlighted include:

- A service hired by YPF S.A. ("YPF") consisting of the overhaul and start-up of three Ruston TB 5000 turbines at their Turbo Expander Plant at Loma La Lata located in the Province of Neuquén, is in its final stage. This service includes the complete recommissioning of the three turbocompressors, including the overhaul of the gas generator and power turbine, inspection of the power and instrumentation wiring, commissioning of the control panels and peripheral systems as well as the disassembly, inspection and repair of the Cooper RC3BB-14 natural gas compressors and *Rademakers* gearboxes.

- TGN improved the quality of third-party pipeline operation and maintenance services, giving the responses expected by each client. Thus, commitments made with ENARSA for the operation and maintenance of GNEA and GIJA; with Gasoducto del Pacífico Argentina S.A. (for the operation and maintenance of the pipeline along San José de Añelo and Neuquén sections) and Tecpetrol S.A. (for the maintenance of Fortín de Piedra export pipelines) have been appropriately honoured.

- A pilot contract for *"Equipment Health Management (InSight)"* service with *Solar Turbines* for the three turbocompressors at La Mora Compressor Plant was maintained until June 2023. This service allows to remotely monitor the operating condition as well as the ongoing monitoring of their integrity. As of July 2023, the three turbocompressors from Puelén Compressor Plant were added. These six compressors, together with the forthcoming addition of those from La Carlota, Cochico, Beazley and San Jerónimo Compressor Plants, will become the first ten machines covered by this *InSight* service from SOLAR.

- The overhaul of the MC01 CLARK motor-driven compressor at Miraflores Compressor Plant was completed.

- The overhaul of the TC02 RUSTON TB 5000 turbocompressor at La Carlota Compressor Plant was completed.

- In-house overhauls were carried out on SULLAIR LS 10 air compressors at Tío Pujio, Lavalle and Tucumán Compressor Plants.

- Maintenance plans for "Export/Import" points were adapted in accordance with the requirements under Energy Secretariat Resolution No. 557/22.

- The program for converting "compressor cylinders" into "non-lubricated" cylinders for three equipment at Lavalle Compressor Plant was completed.

- Two ATLAS COPCO compressors were installed at Baldissera Compressor Plant that are already operational. For all other plants, the replacement will be determined by obsolescence through the *"Compressed Air System Replacement Program"*.

- The quarterly analysis to investigate causes for *"Station Emergency Shutdown"* ("SESD") at plants with venting capabilities continued. After said analysis, responsibilities were assigned to different areas in the organization and specific actions were defined to minimize the occurrence of those incidents.

- In-person audits at direct customers' facilities were completed, with a total of 34 annual inspections scheduled.

- Technical evaluations were implemented at compressor plants in order to detect functional degradation and thus improve the safety of facilities. This was achieved through the development of an application for data collection in the field and a web-based visualization of results. Twelve plants were evaluated in 2023 and the remaining twelve are expected to be assessed in 2024.

- The development of alarm data and key performance indicators ("KPI") required by ISA18.2 Standard was completed at Baldissera Compressor Plant and for RUSTON equipment at San Jerónimo and Beazley Compressor Plants.

- Building improvements were made at La Mora, La Paz and Chaján Compressor Plants.

Implementation and reinforced use of technologies applied in operation and maintenance

Innovation management is a strategic objective for TGN. Below is a description of main activities conducted in this area during the fiscal year:

- Digitization of compressor plants: A new server infrastructure was implemented to perform digital data analysis. This allowed to achieve the remote integration of data from four compressor plants and KPI dashboards for alarm management, as per ISA 18.2. This process will continue for all of TGN's compressor plants, integrating digital and analogue data.

- The use of digital radiography technology was adopted (instead of conventional physical radiography) for taking x-rays of circumferential seams at La Carlota Compressor Plant. In this instance, the use of X-rays was incorporated to replace gamma rays. In this way, new technologies that tend to improve radiography processes continue to be adopted.

- Efforts were undertaken toward the development and updating of mobile applications for field activities (such as slow pace, survey of river crossings, etc.) aimed at collecting data, store it at the corporate database and view them through the geographic information system ("GIS").

- The pilot test for pipe modelling through augmented reality technique was completed.

- Tools designed to combine and validate fitness for service determinations and definition of repairs continue to be developed and reviewed. The tool is used to calculate cracks, corrosion and geometric defects.

- Progress has been made with the study of hydrogen attack in natural gas pipelines, to evaluate a future hydrogen transport through the same natural gas pipelines.

- Fitness for service calculations continue to be updated, consolidated and automated, jointly with others relating to the analysis of critical cracks and defects, through the use of a software developed for the purpose. Additionally, work continues to be done on the inspection frequency of EMAT tool according to the crack growth study and critical cracks analysis.

- The reverse osmosis system for water treatment was put into service at Tucumán Compressor Plant.

- The first stage of the application for the daily and weekly scheduling of the transportation service was finally implemented. This application was integrated to the "Transportation and Customer Services Portal".

- The use of technological tools continued, such as the "*Daily Report Inspection Application"*, enabling to have online information about the progress of the works. The process of uploading the monthly project certification forecast to SAP continued, for more robust data and easier access to information.

- The centralized recording of SESD events (shutdown of venting plant) is being validated by means of OSI PI software to increase the frequency of report issuance to bimonthly.

- The pilot test for the automatic recording of daily reports on RUSTON equipment is being carried out. Using OSI PI software, the status of TGN's twelve RUSTON equipment is being recorded in order to automate and eliminate recording errors due to manual data entry.

- As for the block valves and meter and regulating station telesupervision project through *IOT LoRaWAN* ("Internet of Things"), progress was made in the electronic design of the block valve monitoring device for operation in explosive atmospheres.

- The project to manage repeater stations of the communication trunk was launched with the objective of automating energy management, physical security, signalling, tower verticality monitoring, as well as environmental management of the communications system shelters. The project is based on the implementation of industrial domotics technology.

- The microwave communications trunk migration project in the northern area was completed and the data transport capacity of the system was increased by deploying XPIC *("cross-polarization interference cancelling technology"*) between Pacheco (province of Buenos Aires) and Monte Maíz (province of Córdoba), doubling the bandwidth between these sites.

- A software module was implemented on the SATO platform (Operational Technology Application Server) platform for the management and tracking gas quality agreements.

Know-how deepening as a strategic objective.

TGN has academic relationships with several public and private universities in the country with the aim of onboarding talented professionals. In order to acquire a deeper know how, the following activities were carried out:

- Certification of competencies for own executors continues, with the following results:
    - Cathodic protection certification program – level 2 and level 3.
    - 100% of staff who operate motor-driven compressor plants was certified.
    - 70% of staff assigned to passive measurement and regulation duties was validated.
    - The certification of pilots of unmanned aerial vehicles by the National Civil Aviation Administration ("ANAC") was completed.
    - The certification of painters assigned to recoating works by an external reputable entity continued.
    - A training and certification plan for construction site inspectors is in process.
    - A safety culture development plan focused on construction contractors is underway.
    - A qualification certification program for the position of communications maintenance technician was implemented.

- Personnel from the *Integrity* area who in 2021 had already obtained the international certification as *"Pipeline Integrity Engineer Foundation Level*", managed to obtain during the year the next stage certification (*"Pipeline Integrity Management Practitioner Level"*).

- The technical career for training and development of specialists continues to be consolidated.

- A training course on the topic "Measurement and Regulation" was conducted, on aspects such as "Chromatography and Ultrasonic Measurement", "Metrology and Measurement Uncertainty", "Calibration of Pressure and Temperature Instruments" and " Complete Measuring Loop Contrast".

- An executive training course on environmental policy and management was conducted attended by 39 professionals from different areas, developed by Universidad Torcuato Di Tella ("UTDT").

- Incident investigation team leaders were trained in *"Methodology for incident Investigation - TASC"*.

- For the control room, the knowledge map for the "Gas Controller" position, the on-the-job training guide and supervised practice were completed. In line with this, the process for the certification of controllers at the Argentine Institute of Standardization and Certification ("IRAM") was initiated.

- The study of process mapping, sizing and skills assessment of the project management team was completed, aimed at diagnosing the management of the area, identifying gaps and designing and implementing actions required to address them. In line with the above, training was provided on the identified critical competencies ("Project Management", "Leadership", and "Economic and Financial Management of Projects").

- The Company participates in organizations such as ARPEL, IAPG and IRAM, where experiences are shared with other operators. In matters of damage prevention, TGN has created and leads the new "PdD and Interference Committee" at the IAPG - Neuquén.

- Involvement in Y-TEC H2Ar joint venture led by YPF Tecnología ("Y-TEC") continued, which favours a collaborative framework to study, develop and propose stimulus programs, and also to implement pilot projects related to the value chain of hydrogen.

- Specialists from TGN *Engineering* area attended the following international conferences: "2023 CEESI Gas Ultrasonic Meter User's Conference", "LNG 2023 World Conference" and "Automation Fair 2023 - Rockwell".

- Specialists from TGN *Integrity* area attended the following international conferences: *“Pipeline Pigging and Integrity Management”, “Rio Pipeline”, “Nace Conference Transportation Oil & Gas Congress” and “International Pipeline Geotechnical Conference”* (IPG).

- Specialists from the *Operational Technology* area attended *"Innovarpel 2023 - Digitalization and Cybersecurity in the Oil & Gas Industry"* held in Quito, Ecuador.

- The survey of equipment necessary to achieve the taxonomy required for the implementation of ISO 14224 standard has been completed for the twenty-five plants operated and maintained by TGN. The process of modifying the "Maintenance Notice" has been completed. Additionally, an application has been developed to facilitate the creation of notices. The implementation of the eleven plants corresponding to the Central-West gas pipeline and two along the Northern gas pipeline (at Lavalle and Miraflores Compressor Plants) has been completed. As a result of this work, there will also be available updated P&ID diagram for all plants.

- Progress was made toward compliance with IEC 62443 / API 1154 industrial cybersecurity standards. Based on the gaps detected during the C2M2 maturity analysis carried out within the scope of ARPEL, the MIL1, MIL2 and MIL3 maturity level dimensions were brought above the average market benchmarking (companies participating in ARPEL).

- An educational internship agreement was reached with University of San Luis (School of Physics, Mathematics and Natural Sciences).

7 – PENDING CONTROVERSIES RELATED TO EXPORT TRANSPORTATION AGREEMENTS

In 2004, as a result of an increased domestic demand for gas and a simultaneous drop in production and reserves, the National Government adopted measures, still in force, to ensure that natural gas supply is primarily allocated to meet domestic demand. This involved restrictions on gas exports, which significantly affected sales of gas transportation services to foreign destinations and caused a steady decline in the use of firm gas transportation services. Although TGN was able to enter into settlement agreements with some foreign customers for the early termination of transportation contracts in exchange for a monetary compensation (which early termination nevertheless has caused a negative net effect on TGN’s expected cash flows), one legal dispute with the Chilean distributor Metrogas S.A., which is described in Note 21.1.4, to the Company’s financial statements as of December 31, 2023, remains unsettled.

With respect to the conflict that the Company had with YPF, on February 3, 2023 the parties reached a settlement agreement which is described in Note 21.1.3 to the financial statements referred to in the preceding paragraph.

8 – QUALITY, SAFETY AND ENVIRONMENT

In *safety* matters, the "Fifth Safety Week" was conducted focused on the topics of "Safety Culture", "Process Safety" and "Climate Change". This activity, which began with a webinar given by experts on each subject, was aimed at all personnel and continued with visits by the organization's leaders to most of the Company's operating sites.

In *quality* matters, a relevant activity during the year was the audit conducted for maintaining the certification of the Integrated Management System (“SIG”), as per Quality Management ISO 9001 standard, Environmental Management ISO 14001 standard and Occupational Health and Safety Management ISO 45001 standard, with satisfactory results, maintaining the validity of the certifications since March 2009, which evidences the high degree of maturity of TGN’s SIG.

As for *process safety management*, during the year the Company participated in ARPEL's Environment, Industrial Health and Safety Committee. In addition, an external consultant specialized in Process Safety Management was hired to evaluate lines of action according to internationally recommended practices. Modifications were also made to the "Incidents" and "Prevention Activities" systems, including the incorporation of follow-up of recommendations generated through HAZOP studies.

In *occupational health and safety matters*, TGN maintained Level 4 compliance, which is the highest level established under National Decree No. 170/96 (related to occupational risks); this means maintaining a prevention management, working conditions and work environment in excess of legal requirements.

In matters of *contractor safety*, a "Safety Culture" development process was implemented with the support of safety and project leaders. In an initial stage, the three major contractors were selected.

In environmental matters, since 2020, the Greenhouse Gas Emissions Inventory ("GHG") has been consistently recorded every year, considering scopes 1 and 2, based on the Greenhouse Gas Protocol. In addition, a general diagnosis of GHG emissions management was performed, which will allow us to develop a climate strategy with medium and long-term objectives.

As for the occupational health management, primary prevention actions were adopted with training on "first aid", "CPR" and "care to be taken when dealing with poisonous animals". The flu vaccination campaign also continued during the year. As part of secondary prevention actions, periodic medical examinations were carried out through the ART Insurance Company along with complementary tests to evaluate cardiovascular epidemiological risks. Finally, a nutritional consulting program was implemented.

9 – HUMAN RESOURCES

Below are the actions adopted aimed at attracting, motivating, developing and retaining human resources whose talent is required for the successful management of the business.

Development

The 2022 employee performance management process was conducted. The "People Review" process was also carried out, in which specific development actions were defined for employees, as well as the succession plan for key positions. As part of said process, the fifth cycle of the "Technical Career" was held.

As part of the organizational climate management process, the defined action plans were followed up every six months.

In addition, the different stages of the Young Professionals program continued to be managed. During 2023, these professionals participated in various activities, such as:

- Technical and management training.
- Technical visits.
- Development activities.
- Monthly follow-up meetings.
- Quarterly individual follow-up interviews.
- Semi-annual performance evaluation processes.

As part of the career and internal development opportunities, during the year, successful internal search processes were carried out according to the required profiles and needs in each area. Many of them were supported by the Company's relocation policy.

Also, following the usual practice, the *"Exchange and Integration Sessions*" were held in the months of April and October. At the exchange sessions, the focus was on the analysis of different organizational and safety aspects, while at the integration sessions, the concepts of agility and innovation were discussed.

As part of the talent monitoring and retention plan, the initiative *"Talking with Leaders"* was carried out, aimed at creating friendly spaces for listening.

Finally, the *"Diversity and Inclusion*" strategic plan moved forward. During the year, meetings of the Diversity Committee were held, at which the progress of the actions defined in the plan was presented.

At the same time, work was done toward developing a Diversity and Inclusion policy to be launched in March 2024. The first edition of the *"Lean In Circles*" made up of 13 women from all levels, areas and positions, both from headquarters and inland locations was also developed. It consisted of five meetings comprising a Kick Off and four spaces for reflection and collaborative learning, where participants had the opportunity to openly discuss different topics, such as: professional development, people-centred leadership, difficult conversations and change management.

Reflection workshops with a focus on "Inclusive Leadership" and two specific meetings on *"Human Resources Processes with an Inclusion Perspective"* were also held for leaders. A workshop on the value of diversity, the challenges of inclusion and how to contribute to gender equity was held for new entrants.

Internal Communication

The internal communication area played an active role in order to keep employees informed and updated about the Company's news and its main processes.

During the year, the planning and implementation of the *Change Management* plan continued in order to support employees during the process of moving to the new corporate headquarters. In addition, the *"Good coexistence practices"* campaign was carried out in the new workspace.

Semi-annual meetings with the CEO were held with the participation of over 400 associates, during which TGN's CEO shared the most relevant news and challenges faced by the organization.

In July, the *"Workplace Experiences"* program was launched at the headquarters, with the aim of contributing to the process of cultural change, thus promoting the interaction and integration of employees. Work was carried out on the design of a graphic system and all communication pieces, in addition to the implementation of the activities proposed in the plan.

Training

Training of employees plays a central role in TGN's life. Each year, the "Centre *for Knowledge Transfer*" ("CKT") renews its challenge to teach and learn, increasing the knowledge ecosystem of the organization as a whole. Thus, together with specialists from various areas and supported by institutions and educational providers of excellence, different training programs have been designed and implemented.

Some examples are:

- Program for new entrants.
- Technical competencies for the position of "gas controller" and training for new controllers.
- Project management and leadership programs for Project Managers.
- On-the-job training and supervised practice for new Section Heads.
- Technical and management training for the Young Professionals team.
- Leadership training for new and future leaders through the leadership fundamentals program.
- Health, safety and environmental training plan. New e-learning courses were added and, through an agreement with UTDT, the environmental policy and management program was carried out.
- Compliance course, aimed at strengthening the culture of transparency and anti-corruption.
- Reflection workshops focused on awareness, gender and action.

Finally, the "*Campus* +" training platform was updated, allowing each employee to manage his or her learning plan through an agile, modern tool associated with a management dashboard.

Talent attraction

During fiscal year 2023, 95 employees were hired, 40% of which correspond to new positions in the organization. Seventy-four percent of the new hires belong to the Operations Department.

As part of the talent attraction process, in addition to the traditional mechanisms, TGN was present at job fairs, universities and social networks. Thus, TGN managed to position itself as an employer brand in the following areas:

- Youth Space ("JOG") at the XIV International Oil and Gas Exhibition.
- Job Exhibition of the Argentine Centre of Engineers.
- Engineering Conference of *Universidad Nacional del Sur* and *Universidad Tecnológica Nacional* - Bahía Blanca Regional School.
- *Universidad de Buenos Aires* ("UBA") and *Universidad Nacional de San Luis* ("UNSL") Engineering Schools.

Finally, in order to continue strengthening the bond with educational institutions and fostering the approach of students to the labour scenario, the internship program continued with UBA Engineering School and UNSL Engineering School was incorporated. At the high school level, the experience with interns from a technical school near Deán Funes Compressor Plant was carried out for the second time. Also, with the Government of the City of Buenos Aires, the *"Program of Activities for Introduction to the World of Work"* was conducted, with the participation of 22 students.

Compensations

With respect to unionized employees, after negotiations for April 2022 to March 2023 period were completed during the first quarter of the fiscal year, several salary agreements were entered into for the period between April 2023 and March 2024. Said negotiations will be concluded in March 2024. Non-unionized employees obtained a salary increase in line with industry reference pay levels. Likewise, in line with the *Compensation Policy*, that takes into account principles of internal equality, external competitiveness and performance, among others, the process of salary increases by merit was conducted during the year, and the performance bonus for 2022 fiscal year was paid in April 2023.

10 – PUBLIC AFFAIRS

By managing Public Affairs, TGN strengthens its reputation in order to gain social consensus to operate and contribute to its economic results. This is carried out by managing relationships, positioning the brand and bridging topics of interest between internal audiences and external stakeholders. Thus, the Company manages institutional affairs and external communications in order to strengthen ties, manage interests with key audiences, and drive its commitment with the United Nations sustainable development objectives.

The annual action plan for public affairs management covers the Company's objectives, project plans, the integral risk map, pipeline system matrix, mapping of stakeholders, as well as the context where the Company does business.

The Company conducts institutional advertising on national, provincial or regional, as well as niche media, and manages relationships with the press through spokesmen and communications, and through the implementation of its digital content strategy on the web and social media.

TGN encourages and supports its employees so that they take part in technical committees belonging to business or professional associations, as well as to engage in its corporate volunteering efforts, in order to enhance its Corporate Responsibility programs. Such an active role is guided by the Company's Vision, which is "*being a sustainable and growing company, an example in the energy sector, chosen by its people as a place to grow, recognized in the industry and committed to the community*".

As part of the digital strategy for social media, TGN implements an action plan aimed at growing the number of followers, and also at gaining customer loyalty, by improving the quality of contents in order to increase interactions as well as the engagement rate. On each of the social media platforms in which TGN participates, efforts are made to create content aligned with the profile of its audience and relevant agendas on a gradual basis.

As for press management, the Company works proactively on getting to know the media, their publishers and journalists. It defines those media that are strategic and seeks to focus on technical matters and the particular features of the market. It also shares information on energy transition, its sustainability management efforts and experience or vision about issues relating to employer branding, diversity and safety, among others.

Finally, its advertising approach has two specific coverage targets. On the one hand, a media plan for the inland of the country addressed to communities, municipalities and companies, so as to support its operations and damage prevention efforts in order to alert, prevent and raise awareness about the existence of its pipelines and eventual interferences. On the other hand, it develops media plans for niche media, basically in the energy sector, and a targeted and strategic presence in newspapers, magazines and/or web portals of national reach with a focus on business, market and sustainability.

11 – CORPORATE SOCIAL RESPONSIBILITY

A responsible conduct of business involves, for TGN, a comprehensive consideration of environmental and social matters associated with its main activity of gas transportation, including the supply chain and business relationships. TGN incorporates due diligence to strengthen respect for human rights, protect the environment, combat corruption and evaluate impacts on external stakeholders. Furthermore, the Company is of the opinion that the Sustainable Development Goals (“SDG”) defined by the United Nations in 2015, imply challenges and opportunities for business development within its value chain.

Alliances

In order to strengthen alliances and promote global development challenges at local level, the Company maintains ties with supranational public, business and civil society organizations. The main alliances are listed below:

- ARPEL.
- Cámara de Sociedades Anónimas.
- Consejo Empresario Argentino para el Desarrollo Sostenible (CEADS).
- IRAM.
- IAPG.
- Instituto de Seguridad y Educación Vial (ISEV).
- Instituto para el Desarrollo Empresarial de la Argentina (IDEA).
- Red Argentina del Pacto Global de Naciones Unidas.
- Instituto para la Cultura, la Innovación y el Desarrollo (INCIDE).
- Fundación Capacitarse.
- Fundación Leer.
- Grupo de Fundaciones y Empresas (GDFE).
- Instituto Argentino de Responsabilidad Social Empresaria (IARSE).
- Instituto de Estudios para la Sustentabilidad Corporativa (IESC).

Sustainability Strategy (Environmental, Social and Governance) (ESG).

In order to integrate the core business processes into a sustainability strategy, a study was carried out with the input from the organization's main specialists and managers. The work resulted in roadmaps with lines of action linked to compliance, operations, environment, finance, human resources, engineering, project implementation, regulatory affairs, damage prevention, public affairs and social responsibility processes. The effective integration of these ESG considerations will contribute to long-term sustainability strategies, to manage risks and enhance reputation.

Reporting Process

The Sustainability Report is based on GRI 2 and GRI 11 standards. Both internal and external material issues are addressed to better understand and manage the organization's risks and opportunities.

Climate adjustment, resilience and transition

The adjustment to the climatic consequences of TGN's operations is considered at every stage of the life cycle of the facilities. It encompasses periodic risk assessments, both for operations as well as for the integrity of assets. Based on this analysis, short-, medium- and long-term strategies are defined to mitigate risks, safeguard facilities and ensure continuity of service.

Different community programs are adopted for a better understanding between the communities and the people directly involved in the service. During the fiscal year, and in the context of the commemoration of its 30 years of existence, TGN implemented a "30 years - 30 schools" program that linked energy efficiency and the use of renewable energies. Renewable energy devices were installed in thirty schools in seventeen provinces. In each of them, the efficiency factor was evaluated. Training on SDG and the challenges of energy transition was also provided at those schools.

Local communities

Programs and actions were implemented to facilitate the participation of communities near the facilities and pipelines operated by TGN. Due diligence is approached as a continuous process in which improvements are introduced and risks resulting from changes in the environment, the behaviour of populations and the development of operations are identified. The risks identified result in changes in operations and also in the actions aimed at improving communication between the community and the company. Pipeline integrity, project execution, damage prevention, safety, environment and anti-corruption processes are the ones that require more attention based on the risks identified.

TGN operates in territories where indigenous communities live, particularly in the provinces of Salta, Jujuy and Neuquén. International standards, local regulations and national legislation make up a framework that guides operating practices. Due diligence is based on ethnographic studies and risk assessment to establish forms of prevention. Dialogue processes are addressed in order to reach agreements within the framework of full respect for the rights, culture and customs of each community.

Programs

Educational communities of schools and middle and high level institutions conform a vast network of alliances that makes it possible to implement programs aimed at satisfying shared interests. During 2023, actions were carried out in seventeen provinces, reaching ninety municipal or departmental localities, with the participation of 7,740 students and teachers. Eighty TGN employees contributed as volunteers. Among the main programs, the following stand out: "*Juntos"* (Together), aimed at damage prevention, and *"Cadena de Valor"* (Value Chain), aimed at developing small businesses.

12 – COMPENSATION POLICY

The Board of Directors' compensation is determined by the Shareholders for each fiscal year. The compensation policy for Company's managers and chief officers establishes a monthly fixed basic compensation and a variable additional amount payable on an annual basis. The fixed component is based on the level of responsibility inherent to the position and market values, in accordance with the Compensation Policy that contains salary guidelines for all non-unionized staff. The variable component consists of an additional amount based on performance and achievement of the objectives set for the year. Said compensation is fixed according to the Performance Bonus Policy and applies to all non-unionized staff. Additionally, all TGN employees are recipients of the Profit Sharing Bonus, established at 0.25% of profits for each fiscal year. The Company's policy does not foresee stock option plans for its personnel.

13 – DECISION-MAKING POLICY

The corporate bylaws establishes that the Board of Directors of the Company shall consist of fourteen regular directors and an equal number of alternate directors, who shall be responsible for TGN's management and administration. The directors' term of office is one year from their appointment by the Shareholders' Meeting. Of the fourteen directors: (i) nine regular directors and their respective alternates are elected by Class A shares at a Special Class A Shareholders' Meeting; (ii) four regular directors and their respective alternates are elected by Class B shares at a Special Class B Shareholders' Meeting, and (iii) one regular director and his or her respective alternate are elected by Class C shares at a Special Class C Shareholders' Meeting. Of these, at least one Class A director and one Class B director shall be independent as per the Capital Market Act No. 26,831 (as amended by Act No. 27,440, the "Capital Market Act") and applicable National Securities Commission ("CNV") regulations. The director appointed by Class C shareholders shall not have such status. TGN's controlling company, Gasinvest, has the right to appoint the majority of regular and alternate directors (the nine appointed by Class A). Compañía General de Combustibles S.A. and Tecpetrol Internacional SL, who jointly hold 100% of Gasinvest common shares, have entered into a Shareholders' Agreement ("the Agreement") in order to regulate certain aspects related to their indirect participation in TGN, such as the number of directors that each shareholder may appoint, and the decisions and actions that must be agreed upon unanimously. The Agreement establishes that the following actions and decisions must be unanimously agreed upon by Compañía General de Combustibles S.A. and Tecpetrol Internacional SL:

i. amendments to TGN's bylaws or equivalent documents,
ii. any consolidation or merger of TGN with another company,
iii. adoption of annual activity plans, investment plans and financial plans,
iv. budgets and any amendment thereto,
v. increase or decrease in number of members on TGN's Board of Directors and/or any other Company committee,
vi. issuance or redemption of TGN shares,
vii. TGN's dissolution, liquidation or bankruptcy proceedings,
viii. declaration or payment of dividends or other distribution by TGN that is not consistent with the dividend policy established in the activity plan,
ix. any investment by TGN in another company,
x. execution by TGN of any agreement which involves total payments or the purchase or sale by TGN of assets that, valued at their book value, exceed US$ 3 million in one or more transactions within a six-month period,
xi. any material changes in TGN's management, and
xii. selection of TGN's independent auditor.

Additionally, a supplementary shareholders' agreement establishes that all contracts for the supply of goods and/or services must comply with mechanisms that assure a plurality of technically and financially qualified bidders to ensure that contracts are carried out on an arm's-length basis, in observance of TGN's organization and management policies and standards. Also, contracts for the acquisition of goods and/or services with a company and/or its controlling and/or controlled companies that together exceed the amount of US$ 4 million must be approved by the Board of Directors.

The internal supervision of the Company's affairs is performed by a Supervisory Committee consisting of three regular and three alternate statutory auditors: (i) two regular members and their alternates are appointed at a Special Class A and Class B Shareholders' Meeting, acting jointly, of which at least one regular member must be independent; and (ii) a regular member and his or her alternate are appointed at a Special Class C Shareholders' Meeting. Supervisory Committee meetings are held with the presence of an absolute majority of members, and decisions are adopted by a majority of present votes, without prejudice to the rights of the dissenting statutory auditor. The members of the Supervisory Committee have the duty and right to attend Board and Shareholders' Meetings, call such meetings, request that items be included on the agenda and, in general, supervise all matters related to the Company and its compliance with the law and corporate bylaws.

14 – AUDIT COMMITTEE

Pursuant to the provisions of the public offering transparency regime set forth in the Capital Market Act and regulations thereunder, companies that offer their shares to the public must set up an Audit Committee consisting of at least three Board members, a majority of which must be independent as required by CNV regulations. During the fiscal year, the Audit Committee performed the functions entrusted to it by the law and its internal regulations, in line with an annual plan submitted to the Board of Directors and the Supervisory Committee. The audit report forms part of the Company's annual financial statements.

15 – COMPANY'S INTERNAL CONTROL

The Company has an "Audit, Compliance and Process Improvement Department". The area manager functionally reports to the Board, through the Audit Committee, and hierarchically to the General Manager. The "Internal Audit" area is responsible for regularly reviewing internal control systems in order to enhance the quality of processes, their documentation and reporting. The internal control is a process carried out by Management and the rest of the personnel, designed to provide a reasonable degree of assurance that the objectives of the Company will be met, considering the effectiveness and efficiency of operations, reliability of financial information and compliance with applicable laws and standards. In this regard, Internal Audit carries out procedures to comply with an annual plan, which is intended to monitor critical and significant operating, financial, legal, regulatory and IT-related risks, among others. The Audit Committee is informed by this Department about identified internal control weaknesses, as well as corrective actions taken.

Additionally, the "Compliance" Department is an autonomous area with sufficient resources, and reports directly to the Audit Committee or Supervisory Committee, as the case may be. Said area is responsible for identifying and mitigating corruption risks, promoting an ethical and transparent culture, as well as designing anti-corruption and anti-bribe standards in line with national and international legislation. It also receives and reviews reports submitted through the Transparent Line, and treats all information provided strictly confidential to the extent so allowed under applicable legislation.

16 – DISCLOSURE OF THE COMPANY'S BALANCES AND TRANSACTIONS WITH ITS CONTROLLING COMPANY, FOREIGN RELATED COMPANIES, OTHER RELATED PARTIES AND KEY MANAGEMENT PERSONNEL

Balances and transactions between the Company and its controlling company, foreign related companies, other related parties and key management personnel are presented in Note 27 to TGN's financial statements for the twelve-month period ended December 31, 2023. Individuals comprised in Section 72 of the Capital Market Act have been included as related parties.

17 – OUTLOOK

As for the rate issue, and as mentioned in paragraph 3) of this Report, on February 9, 2024 ENARGAS published Resolution No. 42/24 which, among other things, announced that the new transportation and distribution rates will come into force within 30 administrative business days from said publication and informed that a mechanism for monthly rate updates is under study and will be announced within 90 administrative business days from said publication.

Finally, as described in paragraph 1) in this Report, 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.

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

Free translation from the original in Spanish for publication in Argentina

18 – PROFIT ALLOCATION PROPOSAL

Fiscal year 2023 resulted in a profit of $ 57,726,656 thousand, while retained earnings as of December 31, 2023 as shown in the Statement of Changes in Shareholders' Equity, amounted to a profit of $ 61.254.320 thousand. Consequently, the Board of Directors proposes the Shareholders that above mentioned retained earnings for an amount of $ 61.254.320 thousand (which are net of the Compensation Bonus for Employees and compensation to Directors and Statutory Auditors), be allocated to the creation of an Optional reserve for the payment of future dividends.

Additionally, the Board proposes payment of: (i) a Compensation Bonus for Employees equivalent to 0.25% of the after-tax profit for the fiscal year for an amount of $ 144.317 thousand; (ii) a compensation of $ 150.030 thousand to Board members, and (iii) a compensation of $ 42.510 thousand to Supervisory Committee members.

The Board of Directors thanks customers, suppliers and third parties in general, and the personnel of the Company for their support and cooperation during this fiscal year.

Pablo Lozada
Regular Syndic

Emilio Daneri Conte-Grand
President

Free translation from the original in Spanish for publication in Argentina

ANNEX
REPORT ON THE CODE OF CORPORATE GOVERNANCE

A) THE ROLE OF THE BOARD

Principles

I. The company should be led by a professional and qualified Board, which will be responsible for laying the necessary bases to assure the sustainable success of the company. The Board is responsible for running the company's affairs and protecting the interests of all its shareholders.

II. The Board shall be responsible for determining and promoting the corporate culture and values. The Board shall assure compliance with the highest ethical and integrity standards according to the best interest of the company.

III. The Board shall assure the implementation of a strategy that is inspired by the company's vision and mission, and is aligned with the corporate culture and values. The Board shall constructively interact with management in order to assure a proper development, execution, supervision and alignment of the company's strategy.

IV. The Board shall continuously control and supervise the company's affairs, making sure that management takes actions aimed at implementing the strategy and business plan approved by the Board.

V. The Board shall have such mechanisms and policies in place as may be required for the performance of its duties and those of each of its members in an efficient and effective manner.

1. The Board promotes an ethical organizational culture and establishes the company's vision, mission and values.

Transportadora de Gas del Norte S.A. ("the Company" or "TGN") has a Board which, as a body responsible for the Company's administration, approves the Company's policies relating to corporate governance and performs its duties in accordance with the law and generally accepted ethical principles, within a transparent framework, by avoiding or managing any conflict of interest, creating and promoting an ethical organizational culture, establishing and sharing the Company's vision, mission and culture with all stakeholders. Such vision, mission and culture are available on TGN's website. In turn, TGN has a Board-approved Code of Ethics, which covers: (i) Social Responsibility; (ii) Corporate Principles; (iii) Ethical Values; and (iv) Behavioral Guidelines. Such Code establishes the values that must be observed by the Company and its employees when making decisions and taking actions. It also serves as a basis for assessing conducts within TGN. The Code of Ethics applies to TGN Board, Supervisory Committee and all TGN staff and that of its controlled companies. It also applies to relationships with contractors, subcontractors, suppliers, customers, public officers, shareholders and investors, and third parties in general. The Code is delivered to all TGN associates and disclosed to the general public through the Company's website.

2. The Board establishes the company's general strategy and approves the strategic plan prepared by the management department. In so doing, the Board takes into consideration environmental, social and corporate governance factors. The Board supervises its implementation through the use of key performance indicators and having in mind the best interest of both the company and all its shareholders.

As the body responsible for the Company's administration, the Board approves and supervises compliance with TGN policies and strategies, subject to control by the shareholders. Thus, as part of the annual budget, the Board approves TGN business plan and management objectives for each fiscal year, having regard for environmental, social and corporate governance factors, with the relevant policies being approved by the Board. Additionally, TGN issues the "Annual Sustainability Report" that follows international standards in GRI G3 Guidelines (*Global Reporting Initiative)*. This report is published on an annual basis in the United Nations website and is supervised by an external consultant who makes improvement recommendations. The Sustainability Report is also available on TGN website and includes, among other topics, measures adopted toward a greater transparency in social responsibility actions, and summarizes actions related to environmental protection adopted during the year.

3. The Board supervises the management department and makes sure the latter develops, implements and maintains an adequate internal control system with clear reporting lines.

The Board monitors the performance of the management department as part of the Company's overall management control. The Board holds regular meetings to assess how the management department develops and implements the Company's strategy. Directors, managers and statutory auditors are informed on an ongoing basis about all relevant business issues, the knowledge of which is necessary for the performance of their duties. The Company's Board monitors compliance with the annual budget and business plan, based on monthly management control reports and other reports issued by the management department when discussing the interim and annual financial statements. The internal control system, supervised by the Board, is a process aimed at providing a reasonable degree of assurance as to whether the company's objectives are met, considering the efficiency and effectiveness of operations, the reliability of financial information and compliance with standards and applicable laws.

4. The Board designs structures and practices concerning corporate governance, designates who will be responsible for their implementation, monitors their effectiveness and recommends changes where necessary.

As the body responsible for the Company's administration, the Board approves corporate governance policies and monitors compliance therewith. TGN Board shares the principles reflected in the Code of Corporate Governance issued by the National Securities Commission ("CNV") and, as required by said entity, issues a Report on the Code of Corporate Governance every year for its disclosure to the public.

5. The Board members have time enough to perform their duties in a professional and efficient manner. The Board and its committees have clearly established organizational and procedural rules that are published in the Company's website.

TGN Board members have sound professional and academic backgrounds and proven track records in executive positions at local and international companies, particularly within the energy sector. Based on the above, though the Board does not consider it necessary to formalize policies or mechanisms concerning the fulfillment of their duties, each Board member serves in accordance with TGN Corporate Bylaws and legal provisions applicable thereto.

B) CHAIRMAN OF THE BOARD AND CORPORATE SECRETARY

Principles

VI. The Chairman of the Board is responsible for assuring the effective fulfillment of the Board's duties and for leading its members. The Chairman shall create a positive work dynamics and promote a constructive participation among its members, and shall also assure that Board members are provided with the necessary elements and information for decision-making. The same applies to the Chairman of each Board committee regarding their specific duties.

VII. The Chairman of the Board shall lead processes and establish structures designed so that Board members fulfill their duties in a committed, objective and competent manner, and the Board as a whole performs to the best of its ability and in line with the Company's needs.

VIII. The Chairman of the Board shall see that the Board in its entirety gets involved in and is responsible for the appointment of a successor to the general manager.

6. The Chairman of the Board is responsible for properly arranging the Board meetings, preparing the agenda with the cooperation of all other members, and assuring that members receive relevant materials in sufficient advance in order to participate in meetings in an efficient and informed manner. The same applies to committee chairmen concerning their own meetings.

The Chief Legal Officer, upon prior consultation with the Chairman of the Board and Chief Executive Officer, shall prepare the agenda for each board meeting and shall, within the statutory term, distribute to Board members supporting documentation about issues to be dealt with so that they are duly informed in advance to the meeting. TGN has an Audit Committee, and the Chief Legal Officer carries out certain tasks inherent to a corporate secretary and performs identical duties for said Committee meetings.

7. The Chairman of the Board supervises the proper internal operation of the Board through the implementation of formal annual assessment processes.

Even if TGN Board does not have a formal assessment procedure in place, the Board performance is reviewed and assessed annually at the shareholders meeting held following the end of each fiscal year. The Chairman of the Board makes sure that the managing body performs in accordance with the provisions contained in Law 19,550.

8. The Chairman of the Board creates a positive and constructive work environment for all Board members and makes sure that they receive ongoing training to stay updated and able to properly perform their duties.

As mentioned in item 5, TGN Board members have sound professional and academic backgrounds and proven track records in executive positions at local and international companies. Accordingly, the Board does not deem it necessary to implement a training plan for its members for the time being. This notwithstanding, the Board members cooperate with each other in the fulfillment of their responsibilities, with such cooperation enhancing their individual contributions.

9. The Corporate Secretary supports the Chairman in effectively administering the Board and assists with communications among shareholders, the Board and Management Department.

The duties typically inherent to a corporate secretary are performed by the Chief Legal Officer who, additionally, is the Market Relations Officer. Communication among shareholders, the Board and the Management Department is fluid and permanent. Directors and managers are constantly updated about relevant business aspects, with managerial officers often participating in board meetings when issues to be discussed therein are relevant to them. On their part, shareholders have all relevant information about the Company that is available through CNV Financial Information Highway.

10. The Chairman of the Board assures that all its members participate in the development and approval of a succession plan for the Company's Chief Executive Officer.

The appointment of a successor to the Company's Chief Executive Officer is the responsibility of the Board.

C) COMPOSITION, NOMINATION AND SUCCESSION OF THE BOARD

Principles

IX. The Board shall have adequate levels of independence and diversity so that its members are able to make decisions in the best interest of the Company, avoiding groupthink and decision-making by prevailing individuals or groups within the Board.

X. The Board shall assure that the Company has formal procedures in place for proposing and nominating candidates to hold positions on the Board as part of a succession plan.

11. The Board has at least two members with independent status in accordance with the criteria currently established by the National Securities Commission.

In accordance with the criteria established by the CNV, TGN Board currently has the required number of independent directors to serve on its Audit Committee.

12. The Company has a Nomination Committee consisting of at least three (3) members and chaired by an independent director. When chairing the Nomination Committee, the Chairman of the Board shall refrain from participating in discussions concerning the designation of a successor to his/her own position.

The Company does not deem it necessary to have a nomination committee. Board members are designated at a shareholders meeting in accordance with the provisions of Law 19,550.

13. The Board, through the Nomination Committee, develops a succession plan for its members that dictates the process for preselecting candidates to fill in vacancies and takes into consideration the non-binding recommendations made by its members, the Chief Executive Officer and shareholders.

Not applicable; please refer to item 12 above.

14. The Board implements an onboarding program for its newly elected members.

Even though the Company does not have a formal onboarding program for new Board members, the new directors designated at the shareholders' meeting take part in induction meetings with the Chief Executive Officer and senior managers to receive the information they need for the fulfillment of their duties.

D) REMUNERATION

Principles

XI. The Board shall establish remuneration incentives in order to align the management department – led by the Chief Executive Officer – and the Board itself with the company's long-term interests so that all directors fulfill their duties toward all shareholders on an equitable basis.

15. The Company has a Remuneration Committee consisting of at least three (3) members. All these members are either independent or non-executive.

Although TGN does not have a remuneration committee, directors' fees are established at the shareholders' meeting in accordance with the Company's interests and market practices.

16. The Board, through the Remuneration Committee, establishes a remuneration policy for the general manager and Board members.

Not applicable; please refer to item 15 above.

CONTROL ENVIRONMENT

Principles

XII. The Board shall assure the existence of a control environment, consisting of internal controls developed by the management, internal audit, risk management, regulatory compliance and external audit departments, establishing those lines of defense necessary to assure integrity in both the company's operations and financial reports.

XIII. The Board shall assure the existence of a comprehensive risk management system to help the management department and Board to efficiently direct the Company towards achievement of its strategic objectives.

XIV. The Board shall assure the existence of an individual or department (depending on the size and complexity of the business, the nature of its operations, and risks faced) responsible for the company's internal audit process. Audit members responsible for reviewing and auditing the Company's internal controls, corporate governance processes and risk management system, shall be independent and objective and shall have clearly established reporting lines.

XV. The Board's Audit Committee shall consist of qualified and experienced members, and shall perform its duties in a transparent and independent manner.

XVI. The Board shall establish appropriate procedures to supervise the independent and effective performance on the part of External Auditors.

17. The Board determines the Company's risk appetite and further supervises and assures the existence of a comprehensive risk management system to identify, review, determine the course of action and monitor the risks faced by the Company, including - among others – environmental, social and business risks in the short and long term.

When making any decision, the Board first identifies the associated risks, and then determines their probability of occurrence and potential impact, thus determining the risk to be assumed by the Company with each decision. There also exists a Risk Management Committee within the Steering Committee. Said committee develops the Company's integral risk matrix and monitors how it evolves. The integral risk matrix is reviewed by the Board once a year or more frequently as may be required.

18. The Board monitors and reviews the effectiveness of the independent internal audit function and assures resources for the implementation of a risk-based annual audit plan and a direct reporting line to the Audit Committee.

TGN has an Internal Audit department, the members of which are independent from all other operating areas and shareholders or related entities, and are hierarchically and functionally accountable to the Chief Executive Officer and the Board, respectively, directly reporting to the Chairman of the Board and the Audit Committee, which reviews their performance. This department supervises compliance with procedures related to internal controls in accordance with three-year plans. The head of this department is independent. The Audit Committee further establishes its annual plan considering the nature of the Company's business and the environment where the business is conducted (including risks inherent to the Company's business and risks incurred in its operations).

19. The internal auditor or members of the internal audit department are independent and highly qualified.

As mentioned in item 18 above, the members of the Internal Audit department are independent from all other operating areas and shareholders or related entities, and are hierarchically and functionally accountable to the Chief Executive Officer and the Board, respectively, directly reporting to the Chairman of the Board and the Audit Committee. Its members are highly qualified professionals with university education in their field.

20. The Board has an Audit Committee that has regulations in place. The committee is mostly made up and chaired by independent directors and does not include the Chief Executive Officer. Most of its members have professional experience in financial and accounting areas.

The Audit Committee, designated by the Board, is made up by three regular directors, the majority of them being independent, in accordance with the criteria established in the CNV regulations, and knowledgeable in business, financial or accounting areas. The Chief Executive Officer does not form part of the Committee. The Audit Committee has regulations in place, which are available at CNV's Financial Information Highway.

21. The Board, in consultation with the Audit Committee, approves a policy for selecting and monitoring external auditors, that establishes the indicators to be taken into account when making the recommendation to the shareholders about retaining or replacing the external auditor.

External auditors are designated at the Shareholders' Meeting, usually upon motion of the controlling shareholder, though the Company's external accounting audit firm applies procedures to assure the qualification, independence and performance of its members, all of which is, in turn, supervised by TGN Audit Committee.

E) ETHICS, INTEGRITY AND COMPLIANCE

Principles

XVII. The Board shall design and establish appropriate structures and practices to promote a culture of ethics, integrity and regulatory compliance that allows to prevent, detect and address serious corporate or personal misconducts.

XVIII. The Board shall assure the adoption of formal mechanisms to prevent or otherwise address any conflicts of interest as may occur in the course of administering and running the Company. Formal procedures shall be established to assure that transactions between related parties are made in the best interest of the Company and that all shareholders receive an equal treatment.

22. The Board approves a Code of Ethics and Conduct that reflects ethics and integrity values and principles, as well as the Company's culture. The Code of Ethics and Conduct is communicated and applies to all directors, managers and employees of the Company.

TGN has a Code of Ethics approved by the Board and published in its website. The Code covers social responsibility, corporate principles, ethical values and behavioral guidelines. This Code establishes the values that must be observed by the Company and its employees when making decisions and taking actions. It also serves as a basis for assessing conducts within TGN. The Code of Ethics applies to TGN Board, Supervisory Committee and all TGN staff and that of its controlled companies. It also applies to relationships with contractors, subcontractors, suppliers, customers, public officers, shareholders and investors, and third parties in general.

23. The Board establishes and regularly reviews, based on the Company's risks, size and financial resources, an Ethics & Integrity Program. The program is visibly and unequivocally supported by the Management department, which designates an internal party responsible for developing, coordinating, supervising and reviewing the efficiency of the program on a regular basis. The program provides for: (i) periodic training for directors, managers and employees about ethics, integrity and compliance issues; (ii) internal channels for reporting irregularities, open to third parties and adequately advertised; (iii) a policy for protecting reporters against retaliation; and an internal investigation system that respects the rights of suspected subjects and imposes effective penalties for breach of the Code of Ethics and Conduct; (iv) integrity policies for bidding procedures; (v) mechanisms for regular review of risks, monitoring and evaluation of the Program; and (vi) procedures for vetting the integrity and track records of third parties or business partners (including due diligence for determining the existence of irregularities, unlawful actions or vulnerabilities during corporate transformation and acquisition processes), including suppliers, distributors, service providers, agents and intermediaries.

TGN has an Integrity Program approved by the Board, which has been developed based on three levels of action: “prevent”, “detect” and “respond”. These levels of action cover in turn five blocks: “leadership”, “risk assessment”, “standards and controls”, “communication and training” and “monitoring and response”. TGN regularly conducts compliance risk assessments. The Company has clearly defined policies for its associates and executives in matters of anti-corruption, hiring processes for intermediary third parties and business partners, participation in public tenders, conflicts of interest, gifts, representation, accommodation and travel expenses, donations, memberships and sponsorships, among others.

The Integrity Program is strongly supported by the Board. Its implementation is the responsibility of the Chief Compliance Officer designated by the Board, who reports to the Board through the Audit Committee, and is hierarchically accountable to the Chief Executive Officer.

TGN offers confidential communication lines for those who may feel under pressure or receive unethical instructions from their seniors, or those who would like to report some violation of the law or non-compliance with procedures within the Company. The Transparent Line offers the possibility of reporting these situations in an anonymous and gratuitous basis, 24 hours a day, with the assurance of no retaliation for such reporting.

24. The Board assures the existence of formal mechanisms to prevent and address conflicts of interest. In the case of transactions between related parties, the Board approves a policy that establishes the role to be played by each corporate body and defines how those transactions that are prejudicial to the company or only to certain investors are identified, handled and disclosed.

The Integrity Program contains specific provisions to prevent and address conflicts of interest, and to handle transactions with related parties that are subject to the supervision of the Audit Committee as required by CNV Regulations.

F) PARTICIPATION BY SHAREHOLDERS AND STAKEHOLDERS

Principles

XIX. The Company shall treat all Shareholders on an equal basis. It shall assure equal access to relevant non-confidential information to enable decision-making by the Company's shareholders.

XX. The Company shall promote an active and informed participation by all Shareholders, particularly regarding the Board's composition.

XXI. The Company shall have a transparent Dividend Distribution Policy that is in line with the strategy.

XXII. The Company shall have the interests of its stakeholders in mind.

25. The Company's website discloses financial and non-financial information, providing all Investors alike with a timely and equal access. The website has a dedicated area for addressing queries from Investors.

TGN website at **www.tgn.com.ar** has a specific section designed to provide investors with financial and non-financial information, assuring them a timely and equal access. It also offers a query channel especially dedicated to the investor public. Notwithstanding the above, TGN complies with its market reporting duties through the CNV Financial Information Highway and Bolsas y Mercados Argentinos ("ByMA") digital platform. Said website has a link to the CNV website, and another link to the National Gas Regulatory Entity's website. The Company answers specific queries from investors through the Market Relations Officer.

26. The Board shall assure the existence of a procedure for identifying and classifying stakeholders and a communication channel for them.

TGN, through its Integrated Management System, adopts reasonable practices to identify its stakeholders and maintain communication channels with them.

27. The Board sends to Shareholders, prior to their Meeting, an "interim information package" that allows Shareholders – through a formal communication channel – to submit non-binding feedback and share views different from recommendations made by the Board, which, when submitting the final information package, shall expressly address any such feedback received as it may deem necessary.

The Board believes that CNV Financial Information Highway and ByMA digital platform are the suitable means for all shareholders to receive the same information in terms of quality, quantity and timelines. All relevant information about the Company, which should be disclosed to the market according to regulations, is made available to the public when required to be disclosed.

28. The Company's Bylaws establishes that Shareholders may receive information packages for their Meetings through virtual means and may attend Meetings through the use of electronic communication means that allow for the simultaneous transmission of audio and video, thus assuring all participants an equal treatment.

Shareholders meetings are held as provided under Law 19,550. The Company's Bylaws provides for attendance at shareholders' meetings through the use of virtual means. Information is accessed by shareholders as described in items 25 and 27 above.

29. The Dividend Distribution Policy is in line with the strategy, and clearly establishes the criteria, frequency and conditions under which dividends shall be distributed.

As TGN does not have an established dividend policy, the distribution of dividends shall be subject, among other things, to the results of its operations, investment requirements, availability of funds from investment projects and their associated cost, existing legal and contractual restraints, perspectives, and any other factor as may be deemed relevant by the Board and approved by shareholders at an ordinary shareholders meeting.

City of Buenos Aires, March 6, 2024

Emilio Daneri Conte-Grand
President

Pablo Lozada
Regular Syndic

Free translation from the original in Spanish for publication in Argentina

BALANCE SHEETS AS OF DECEMBER 31, 2023 AND DECEMBER 31, 2022 ON A COMPARATIVE BASIS
(in thousand pesos – Note 2.3)

	Note	12.31.2023	12.31.2022
ASSETS			
Non-current assets			
Property, plant and equipment	**6**	316,656,591	340,225,768
Investments in affiliated and controlled companies	**7**	2,050,599	1,160,090
Materials and spare parts	**11**	9,011,745	11,260,824
Other accounts receivable	**12**	90,702,634	754,151
Trade accounts receivable	**13**	40,062,084	47,058,460
Investments at amortized cost	**9**	934,918	-
Investments at amortized cost of restricted availability	**9**	-	31,175,197
Total non-current assets		459,418,571	431,634,490
Current assets			
Materials and spare parts		1,528,608	789,898
Other accounts receivable	**12**	41,807,325	5,125,440
Trade accounts receivable	**13**	8,818,844	14,398,527
Investments at amortized cost	**9**	-	3,780
Investments at amortized cost of restricted availability	**9**	45,564,620	-
Investments at fair value	**9**	68,265,974	49,084,858
Cash and cash equivalents	**14**	4,486,089	8,110,157
Total current assets		170,471,460	77,512,660
Total assets		629,890,031	509,147,150

TGN

Free translation from the original in Spanish for publication in Argentina

BALANCE SHEETS AS OF DECEMBER 31, 2023 AND DECEMBER 31, 2022 ON A COMPARATIVE BASIS (in thousand pesos – Note 2.3)

	Note	12.31.2023	12.31.2022
SHAREHOLDERS' EQUITY			
Share capital	**15**	439,374	439,374
Share capital adjustment		174,893,026	174,893,026
Revaluation surplus		45,812,061	50,972,772
Legal reserve		35,066,497	35,066,497
Optional reserve for working capital and liquidity coverage		134,807,184	142,962,853
Other reserves		356,322	(279,843)
Retained earnings		61,254,320	(8,155,669)
Total shareholders' equity		452,628,784	395,899,010
LIABILITIES			
Non-current liabilities			
Deferred income tax liability	**8**	46,333,705	62,273,974
Loans	**16**	-	30,165,174
Lease debts	**20**	3,903,213	2,198,058
Other debts	**19**	371,401	530,178
Trade accounts payable	**21**	367,259	808,417
Total non-current liabilities		50,975,578	95,975,801
Current liabilities			
Contingencies	**22**	196,457	134,597
Loans	**16**	52,905,982	89,766
Lease debts	**20**	345,750	421,708
Salaries and social security contributions		4,664,566	5,431,949
Taxes payable	**18**	624,890	1,004,916
Income tax payable		47,509,614	-
Other debts	**19**	6,104,200	501,388
Trade accounts payable	**21**	13,934,210	9,688,015
Total current liabilities		126,285,669	17,272,339
Total liabilities		177,261,247	113,248,140
Total liabilities and shareholders' equity		629,890,031	509,147,150

The accompanying notes 1 to 31 are an integral part of these financial statements.

Pablo Lozada
Regular Statutory Auditor

Emilio Daneri Conte-Grand
President

Free translation from the original in Spanish for publication in Argentina

STATEMENTS OF COMPREHENSIVE INCOME FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022 (in thousand pesos – Note 2.3)

	Note	12.31.2023	12.31.2022
Revenues	**23**	99,436,987	127,497,685
Cost of service	**24**	(100,231,845)	(124,595,793)
Gross (loss) gain		**(794,858)**	**2,901,892**
Selling expenses	**24**	(4,507,731)	(5,263,804)
Administrative expenses	**24**	(26,041,385)	(17,822,482)
Loss before other income and expenses		**(31,343,974)**	**(20,184,394)**
Other net income and expenses	**25**	61,958,204	(34,815)
Recovery due to impairment of financial assets	**22.1.3**	20,087,156	302,121
Gain (loss) before financial income		**50,701,386**	**(19,917,088)**
Net financial income			
Other net financial income	**26**	205,285,738	44,022,587
Financial income	**26**	3,354,341	3,279,568
Financial expenses	**26**	(2,589,827)	(796,954)
Loss on monetary position	**26**	(166,076,137)	(65,965,463)
Net financial income (loss)		**39,974,115**	**(19,460,262)**
Income from investments in affiliated and controlled companies	**7**	250,457	284,480
Income (loss) before income tax		**90,925,958**	**(39,092,870)**
Income tax			
Current	**8**	(48,260,234)	(115,781)
Deferred	**8**	15,060,932	16,868,429
Subtotal income tax		**(33,199,302)**	**16,752,648**
Gain (loss) for the fiscal year		**57,726,656**	**(22,340,222)**
Items that will be reclassified through profit or loss			
Affiliated companies' financial statements currency translation adjustment	**7**	636,165	(57,931)
Items that will not be reclassified through profit or loss			
Revaluation surplus	**2.6**	(1,633,047)	(1,279,839)
Other comprehensive loss for fiscal year [(1)]		**(996,882)**	**(1,337,770)**
Comprehensive gain (loss) for the year		**56,729,774**	**(23,677,992)**
Net gain (loss) per share, basic and diluted	**27**	131.38	(50.85)

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

The accompanying notes 1 to 31 are an integral part of these financial statements.

Pablo Lozada
Regular Statutory Auditor

Emilio Daneri Conte-Grand
President

Free translation from the original in Spanish for publication in Argentina

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022 (in thousand pesos - Note 2.3)

ITEM	Share capital (Note 15)	Share capital adjustment	Revaluation surplus (Note 2.6)	Legal 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, 2021	**439,374**	**174,893,026**	**66,437,164**	**35,066,497**	**157,335,595**	**2,903,612**	**(221,912)**	**(17,276,354)**	**419,577,002**
Resolution at Ordinary Shareholders' Meeting dated April 12, 2022:									
Absorption of Optional Reserve for working capital and liquidity coverage	-	-	-	-	(14,372,742)	-	-	14,372,742	-
Absorption of voluntary reserve for future dividends	-	-	-	-	-	(2,903,612)	-	2,903,612	-
Loss for the fiscal year	-	-	-	-	-	-	-	(22,340,222)	(22,340,222)
Reversal of revaluation surplus	-	-	(14,184,553)	-	-	-	-	14,184,553	-
Other comprehensive income	-	-	(1,279,839)	-	-	-	(57,931)	-	(1,337,770)
Balances as of December 31, 2022	**439,374**	**174,893,026**	**50,972,772**	**35,066,497**	**142,962,853**	**-**	**(279,843)**	**(8,155,669)**	**395,899,010**
Resolution at Ordinary Shareholders' Meeting dated April 18, 2023:									
Absorption of Optional Reserve for working capital and liquidity coverage	-	-	-	-	(8,155,669)	-	-	8,155,669	-
Profit for the fiscal year	-	-	-	-	-	-	-	57,726,656	57,726,656
Reversal of revaluation surplus	-	-	(3,527,664)	-	-	-	-	3,527,664	-
Other comprehensive income	-	-	(1,633,047)	-	-	-	636,165	-	(996,882)
Balances as of December 31, 2023	**439,374**	**174,893,026**	**45,812,061**	**35,066,497**	**134,807,184**	**-**	**356,322**	**61,254,320**	**452,628,784**

The accompanying notes 1 to 31 are an integral part of these financial statements.

Pablo Lozada
Regular Statutory Auditor

Emilio Daneri Conte-Grand
President

Free translation from the original in Spanish for publication in Argentina

STATEMENTS OF CASH FLOWS FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022 (in thousand pesos – Note 2.3)

	Note	12.31.2023	12.31.2022
Gain (loss) for fiscal year		57,726,656	(22,340,222)
Adjustments to cash generated by (used in) operating activities:			
Property, plant and equipment depreciation	**6**	44,707,646	71,851,390
Residual value of property, plant and equipment written-off	**6**	508,055	248,668
Income tax	**8**	33,199,302	(16,752,648)
Accrued interest generated by liabilities	**26**	2,500,630	523,498
Accrued interest generated by assets	**26**	(3,354,341)	(3,279,568)
Income from discount at present value	**26**	16,599,832	-
Recovery of allowances and provisions		(18,637,393)	(343,349)
Increase in allowances and provisions	**24**	3,860,338	-
Other income and expenses	**6**	(537,896)	-
Exchange rate differences and other net financial income		(186,124,286)	(12,807,303)
Income from commercial compensations	**25**	(59,924,070)	-
Loss from investments in affiliated and controlled companies	**7**	(250,457)	(284,480)
Net changes in operating assets and liabilities:			
(Increase) decrease in trade accounts receivable		(3,419,393)	31,082,531
Decrease in other accounts receivable		96,866,059	2,432,804
Decrease in materials and spare parts		731,338	1,691,171
Increase (decrease) in trade accounts payable		2,759,015	(73,112)
(Decrease) increase in salaries and social security contributions		(767,383)	1,463,286
(Decrease) increase in taxes payable		(1,245,165)	228,078
Decrease in other debts		(8,439,613)	(769,831)
Decrease in contingencies		(215,108)	(503,627)
Income tax payment		-	(972,190)
Net cash flow (used in) generated by operating activities		**(23,456,234)**	**51,395,096**
Acquisition of property, plant and equipment		(23,593,089)	(24,120,121)
Investment in controlled company	**7**	(3,887)	-
Subscriptions net of redemption of investments at amortized cost and investments at fair value (non-cash equivalents)		82,410,632	19,623,287
Principal received from investments at amortized cost and investments at fair value		1,190	12,034
Interest received from investments at amortized cost and investments at fair value		270	6,680
Net cash flow generated by (used in) investing activities		**58,815,116**	**(4,478,120)**
Taking of local loans in pesos	**16.1**	10,338,853	-
Taking of loan with Itaú Unibanco S.A. Nassau Branch	**16.1**	370,397	-
Payment of principal on Notes	**17.1**	-	(2,300,571)
Payment of interest on Notes	**17.1**	-	(209,419)
Payment of interest on Itaú Unibanco S.A. Nassau Branch loan	**16.1**	(434,900)	(530,259)
Payment of principal on local loans in pesos	**16.1**	(2,000,000)	(1,188,864)
Payment of interest on local loans in pesos	**16.1**	(823,117)	(125,653)
Lease payment		(353,349)	(79,465)
Net cash flow generated by (used in) financing activities		**7,097,884**	**(4,434,231)**
Net Increase in cash and cash equivalents		**42,456,766**	**42,482,745**
Cash and cash equivalents at the beginning of fiscal year		8,110,157	17,529,139
Financial loss generated by cash		(46,080,834)	(51,901,727)
Cash and cash equivalents at the end of fiscal year	**14**	**4,486,089**	**8,110,157**
Transactions not affecting cash:			
Right-of-use on property, plant and equipment through leases	**6**	**(419,391)**	**(3,128,164)**
Transfer of property, plant and equipment to materials		**391,473**	**52,133**
Transfer from trade accounts receivable to other accounts receivable		**78,487,881**	**-**

The accompanying notes 1 to 31 are an integral part of these financial statements.

Pablo Lozada
Regular Statutory Auditor

Emilio Daneri Conte-Grand
President

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, 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 Nos. 23,696 on State Reform and 24,076 ("Natural Gas Act") and the issuance of National Executive Branch Decree No. 1,189/92 which regulates such law, 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. TGN was granted a license (the "License") pursuant to which it 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.

On June 28, 2023, TGN's Board approved the incorporation of a single-member corporation (SAU) as a vehicle to develop a natural gas pipeline project, mainly dedicated to mining ventures in the Puna region of Argentina. The new company, called Gasoducto Vicuñas S.A.U. was incorporated on July 4, 2023 and registered with the Superintendency of Corporations on July 18, 2023. Its initial capital amounts to two million pesos, which has been fully subscribed and paid in by TGN. Since the date of incorporation, this new company has not conducted any activities and has only incurred in minor expenses.

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 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 vs. Argentine Republic (Case No. ARB/01/8 in favour of CMS for US$ 133.2 million, dated May 12, 2005) and Total S.A. vs. 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 1.3.3).

1 – OVERVIEW (Cont.)

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 PEN. 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 - Rates

Natural gas transportation rates were established under the License and are regulated by ENARGAS. Section 38 of the Natural Gas Act establishes that rates must cover the reasonable costs of service, taxes and depreciation charges, while enabling to obtain a reasonable rate of return similar to that derived from other activities of a comparable or equivalent risk and must be in line with the degree of efficiency in the provision of the services. Rates are subject to:

i. adjustments under the five-year rate review by ENARGAS, concerning the "X" efficiency factor and "K" investment factor, where "X" reduces rates as a result of increased efficiency while "K" increases rates to promote unprofitable investments;
ii. non-recurring adjustments to reflect changes in costs resulting from changes in tax regulations (except for changes in income tax); and
iii. non-scheduled adjustments for other objective and justifiable reasons at the discretion of ENARGAS.

1 – OVERVIEW (Cont.)

1.3 - Regulatory framework (Cont.)

1.3.3 – Renegotiation of 2017 comprehensive rate review

From April 2014 to December 2017 TGN received successive interim rate increases toward the Comprehensive Rate Review ("CRR") conducted by ENARGAS starting in March 2016. Additionally, the CRR provided that between April 1, 2017 and March 31, 2022, the Company had to implement a Mandatory Investment Plan ("MIP") for approximately $ 5.6 billion (expressed in December 2016 currency), which amount would be adjusted in line with TGN rate adjustment. The Company was 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 service, in order to maintain the economic-financial balance and quality of the service.

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 Social Solidarity and Productive Reactivation under the Public Emergency Framework Law No. 27,541 (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, or embark on a rate review of an exceptional nature. On June 18, 2020, the PEN enacted Necessity and Urgency Decree No. 543/20 extending once again the rate freeze established under the Solidarity Law for another 180 running days.

Said law empowered the PEN to freeze natural gas rates that are under federal jurisdiction, and to start renegotiating the CRR, 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. 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, 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.

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

1 – OVERVIEW (Cont.)

1.3 - Regulatory framework (Cont.)

1.3.3 – Renegotiation of 2017 comprehensive rate review (Cont.)

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.

Following ENARGAS comptroller's recommendation, on December 17, 2020, the PEN passed Necessity and Urgency 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 scheme 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 No. 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 proposed 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 No. 1020/20, making reservation of its rights and actions.

1 – OVERVIEW (Cont.)

1.3 - Regulatory framework (Cont.)

1.3.3 – Renegotiation of 2017 comprehensive rate review (Cont.)

On June 1, 2021 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 involved: (i) that TGN rates remained frozen, (ii) that the Company will have to continue rendering the gas transportation service, (iii) the prohibition to distribute dividends, prepay loans with shareholders and acquire companies or grant loans (except to users or contractors other than the Company's shareholders), without ENARGAS previous approval, and (iv) that no mandatory investment plan applies during the IRR. The IRR also provided for the possibility that ENARGAS adjusts TGN rates as from April 1, 2022.

On June 30, 2021, the Company filed an appeal at administrative level against Decree No. 1020/20, MECON and ENARGAS Joint Resolution 2/21 whereby the IRR was approved subject to further approval by the PEN, Decree No. 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 Natural 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 prohibitions imposed by the IRR.

By means of Resolution No. 518/21 dated December 27, 2021, the ENARGAS convened a new public hearing that took place on January 19, 2022, at which gas transportation and distribution licensees put forward their interim rate adjustment proposals for 2022.

On January 27, 2022, TGN filed before MECON the previous administrative claim foreseen under the Administrative Proceedings Law No. 19,549, requesting to be compensated for the loss experienced as a result of the decision adopted by the national government to freeze the transportation rates and to prevent it from invoicing services based on the rate charts approved in 2017 under the CRR framework.

On February 18, 2022, TGN entered into an interim agreement with MECON and ENARGAS that established a 60% transportation rate increase effective as of March 2022 (the "2022 Interim Agreement"). Said agreement, that will remain in force until December 2022, unless extended by mutual consent of the parties, does not provide for mandatory investments but establishes: (i) that the Company will have to continue rendering the gas transportation service, (ii) the prohibition to distribute dividends, prepay loans with shareholders and acquire companies or grant loans (except to users or contractors other than the Company's shareholders), without previous approval, and (iii) that during the effective term, TGN and its controlling shareholder, Gasinvest S.A. ("Gasinvest"), must agree not to file legal actions or claims against the National Government based on the rate freezing established under the Solidarity Law. The 2022 Interim Agreement came into force on February 22, 2022, upon enactment of PEN Decree No. 91/22 and ENARGAS Resolution No. 59/22 dated February 23, 2022, approving the interim rates effective as of March 1, 2022.

1 – OVERVIEW (Cont.)

1.3 - Regulatory framework (Cont.)

1.3.3 – Renegotiation of 2017 comprehensive rate review (Cont.)

On December 6, 2022 the PEN enacted Necessity and Urgency Decree No. 815/22 providing for (i) the extension of the term for completing the CRR renegotiation provided for in section 5 of the Solidarity Law, for one year and (ii) the extension of the term for ENARGAS intervention, for one year or until the new rate charts resulting from the CRR renegotiation come into force, whichever the first. ENARGAS is thereby also instructed to take the necessary steps toward an interim rate adjustment, as provided under Decree No. 1020/20.

Therefore, by means of Resolution No. 523/22 dated December 7, 2022, the ENARGAS convened a new public hearing that took place on January 4, 2023, at which gas transportation and distribution licensees put forward their interim rate adjustment proposals for 2023.

On April 24, 2023 the Company signed an addendum to the 2022 Interim Agreement (the "Addendum") with MECON and ENARGAS providing for a 95% rate increase. The Addendum was ratified and put into force by means of Decree No. 250/23 published on April 29, 2023, date on which the rate charts approved by means of ENARGAS Resolution No. 187/23 reflecting the rate increase foreseen in the Addendum became effective.

On December 18, 2023, the PEN pronounced Necessity and Urgency Decree No. 55/23 whereby the PEN (i) declares the emergency in the energy sector until December 31, 2024, regarding the segments of generation, transportation and distribution of electric power under federal jurisdiction, and transportation and distribution of natural gas, (ii) instructs the Energy Secretariat within MECON to prepare, put in force and implement an action plan for the segments covered by the emergency in order to, among other things, assure the continued provision of the gas transportation and distribution utility service under technical and economic conditions that are suitable for both service providers and users, (iii) determines the commencement of the CRR process pursuant to article 42 of the Natural Gas Act, and establishes that the coming into force of the rate charts resulting from such process shall not be later than December 31, 2024, (iv) decrees the intervention of ENARGAS effective as of January 1, 2024 until designation of the Board members resulting from a selection process, (v) empowers the Energy Secretariat to designate the comptroller for the ENARGAS, and (vi) determines that the comptroller as such will have the power to run and administer the ENARGAS in accordance with the Natural Gas Act.

Thus, in line with said decree, the comptroller shall inform about compliance with the renegotiation processes provided under Decree No. 1020/20 and conduct the CRR. It is established that, until the CRR process is completed, interim rate increases and periodic adjustments may be approved, aimed at assuring the continued and normal provision of the utility service, which interim increases and adjustments will be on account of the final rates resulting from the rate review.

Accordingly, through Resolution No. 704/23, ENARGAS convened a new public hearing (No. 104) that took place on January 8, 2024, where gas transportation and distribution licensees submitted their interim rate adjustment proposals for 2024, and TGN submitted its proposal in respect of rates and allocation of transportation capacity for the reversal of Northern pipeline.

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

1 – OVERVIEW (Cont.)

1.3 - Regulatory framework (Cont.)

1.3.3 – Renegotiation of 2017 comprehensive rate review (Cont.)

Subsequently, on February 29, 2024 another public hearing was held convened by the National Energy Secretariat through Resolution No. 8/24 in order to analyze: (i) the redetermination of the subsidy scheme in order to assure access to basic and essential gas and electricity service, (ii) the impact of subsidies on the seasonal price of electricity ("PEST") in the wholesale electric market, and on the price of gas at the point of entry to the transportation system ("PIST"), and (iii) the readjustment of the social gas cylinder subsidy scheme.

Meanwhile, on February 9, 2024, ENARGAS published Resolution No. 42/24 which (i) declared the validity of public hearing No. 104, (ii) announced that the new interim transportation and distribution rates will come into force within 30 administrative business days from said publication, (iii) informed that a mechanism for monthly rate updates is under study and will be announced within 90 administrative business days from said publication, and (iv) informed that the criteria for rate establishment and capacity allocation for the reversal of the Northern pipeline will be established at the time of the Five-Year Rate Review set forth under Decree No. 55/23.

1.4 – Current economic context

In addition to the rate issue mentioned in previous notes, worth noting is the fact that the Company operates within a complex economic context, the main variables of which have a strong volatility at national level**.**

Argentina's main macroeconomic indicators are:

- The estimated Gross Domestic Product ("GDP") drop in 2023 was 1.6%.
- Primary fiscal deficit for 2023 was 2.6% of the GDP, while the financial deficit reached 6.1% of the GDP.
- Cumulative inflation between January 1 and December 31, 2023 reached 211.41% as shown by the Consumer Price Index ("CPI") published by the National Institute of Statistics and Census ("INDEC").
- From January 1 to December 31, 2023, the peso depreciated 356.34% against the US dollar, as shown by the exchange rate published by Banco de la Nación Argentina ("BNA").

Year 2023 has proven to be complex for Argentina's economy. It began with a historic drought that implied a drop in exportable agricultural production and, consequently, a loss in foreign currency proceeds. This had an impact on the reserves of the Central Bank of Argentina ("BCRA") and fiscal revenues. These two facts have heightened the macroeconomic imbalances and led to non-compliance with the targets agreed in the Extended Fund Facility arrangement with the International Monetary Fund during the first half of the year, forcing a renegotiation. Although an agreement was reached that would allow for the expected disbursements to be made, all of the aforementioned generated greater volatility in the exchange and financial markets, with a consequent impact on inflation. Additionally, the recrudescence of foreign currency shortage tightened the conditions to access foreign currency to pay for goods and services from abroad.

1 – OVERVIEW (Cont.)

1.4 – Current economic context (Cont.)

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

On December 10, 2023, a new administration took office in Argentina, which has proposed among its objectives the establishment of a new economic regime in the country, for which the new president intends to carry out a broad reform of laws and regulations.

The plan of the new government is to move forward with a comprehensive deregulation of the economy and with structural reforms that will remove restrictions to invest and do business in the country.
Among its first measures, the new government published Necessity and Urgency Decree No. 70/2023 ("DNU") which annuls and/or modifies approximately three hundred laws, introducing reforms in the labour market, customs code and status of state-owned companies, among others. Even though the DNU must be discussed and ratified by at least one of the chambers of the National Congress, its provisions are partially effective as of December 29, 2023, despite certain judicial actions that have resulted in the suspension of certain modifications.

As of December 31, 2023, foreign currency denominated assets and liabilities have been valued based on the exchange rates published by BNA.

It should be mentioned that as of the date of issue of these financial statements the context continues to be characterized by volatility and economic uncertainty. The Company's Board of Directors permanently monitors how the variables that affect the business evolve in order to determine possible actions to be adopted and identify potential impacts on its equity and financial position. These financial statements should be read in the light of said circumstances.

1.5 - Decrease in revenues from gas transportation for export

In 2004, as a result of an increased domestic demand for gas and a simultaneous drop in production and reserves, the National Government adopted measures, still in force, to ensure that natural gas supply be primarily allocated to meet domestic demand. This involved restrictions on gas exports, which significantly affected sales of gas transportation services to foreign destinations and caused a steady decline in the use of firm gas transportation services. Although TGN was able to enter into settlement agreements with some foreign customers for the early termination of transportation contracts in exchange for economic compensation (which nevertheless have caused a negative net effect on TGN's expected cash flows), a legal dispute with the Chilean distributor Metrogas S.A. ("Metrogas"), which is described in Note 22.1.4 to these financial statements, remains unsettled.

As to the conflict the Company maintained with YPF S.A. ("YPF"), on February 3, 2023 a settlement agreement described in Note 22.1.3 to these financial statements was signed.

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

2 - PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

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 IFRS Accounting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB"), to certain entities encompassed by the public offering regime of Law No. 26,831 (amended by Law No. 27,440, the "Capital Markets Law"), 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.

Balances as of December 31, 2023 shown for comparison purposes, are derived from the financial statements for the fiscal year ended as of that date.

2.1 – Use of estimates and accounting policies

The preparation of financial statements requires the Company to make estimates that affect the reported valuation of assets and liabilities at the date of issue of these financial statements as well as income and expenses recorded for the fiscal year. However, actual results and amounts may significantly differ from estimates used in the preparation of financial statements. The accounting policies applied in preparing these financial statements are consistent with those applied in preparing the financial statements for the period ended December 31, 2022.

2.2 – Going Concern

As of the date of these financial statements, there are no uncertainties as regards events or conditions that might cast doubt on the Company's ability to continue doing business normally as a going concern.

2.3 –Measuring Unit

International Accounting Standard N° 29 on "Financial Reporting in Hyperinflationary Economies" ("IAS 29") requires that financial statements of an entity which functional currency is that of a hyperinflationary economy, whether based on the historical or current cost approach, be stated in terms of the measuring unit current as of the closing date of the reporting period. Consequently, in general terms, non-monetary items should include actual inflation since their acquisition or revaluation date, as appropriate. Said requirements also apply to comparative information included in financial statements.

The standard describes a number of factors indicative of a hyperinflationary economy under IAS 29, such as when the cumulative inflation rate over three years approaches, or exceeds 100%. This is why Argentina's economy should have been regarded as hyperinflationary as from July 1, 2018.

Free translation from the original in Spanish for publication in Argentina

2 - PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.3 –Measuring Unit (Cont.)

In turn, Law No. 27,468 (published in Official Gazette on December 4, 2018), amended article 10 of Law 23,928 as amended, by repealing all statutory or regulatory pieces of legislation that established or authorized price adjustment based on price increases, currency restatement, cost variation or other forms of boosting debts, taxes, prices or rates for goods, works or services. This does not apply to financial statements in respect of which the provisions of article 62 in fine of the General Company Law No 19,550 (as restated in 1984) as amended ("LGS") will continue to apply. Said legislation also repealed Decree No. 1269/2002 dated July 16, 2002 as amended, and delegated to PEN, through its supervisory entities, the power to establish the date as from which said provisions will apply to financial statements filed with it. Therefore, CNV instructed, through General Resolution No. 777/2018 (published in Official Gazette on December 28, 2018), that issuing entities subject to its supervision restate their annual, interim or special financial statements closed after December 31, 2018 in constant currency as per IAS 29. Therefore, these financial statements as of December 31, 2023 have been restated.

Pursuant to IAS 29 any entity reporting its financial statements in the currency of a hyperinflationary economy shall report them in the measuring unit current as of the date of those financial statements. All such amounts in the balance sheet as are not reported in terms of the measuring unit as of the date of the financial statements shall be adjusted by applying a general price index. All items in the statement of income shall be reported in terms of the measuring unit adjusted as of the date of the financial statements, by applying the general Price index variation experienced since the date when income and expenses were originally recognized in the financial statements.

The inflation adjustment to initial balances was determined considering the indexes established by FACPCE on the basis of price indexes published by INDEC. The average price index variation for fiscal year ended December 31, 2023 was 211.41%.

The main procedures for the inflation adjustment above mentioned are as follows:

- Monetary assets and liabilities reported at the financial statements closing currency are not restated as they are already stated in terms of the measuring unit current at the date of said financial statements.
- Non-monetary assets and liabilities reported at cost as of the date of the financial statements, and equity items, are restated by applying relevant adjustment rates.
- All items in the statement of comprehensive income are adjusted by applying the pertinent adjustment coefficients.
- The effect of inflation on the Company's net monetary position is shown in the statement of comprehensive income, under "Net financial income", more specifically under "Gain/loss on monetary position".
- Comparative figures have been adjusted for inflation following the same procedure described in the preceding items.

2 - PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.3 –Measuring Unit (Cont.)

In initially applying the inflation adjustment, equity items have been restated as follows:

- The share capital has been restated as from the later of subscription date or date of last inflation-adjustment. The resulting amount has been reflected under “Share capital adjustment”.
- Other comprehensive income has been restated as from each accounting entry date.
- Other reserves under the statement of income have not been restated initially.

2.4 - Investments in affiliated and controlled companies

The Company exerts a significant influence in affiliated companies Comgas Andina S.A. and Companhia Operadora do Rio Grande do Sul and has control over Gasoducto Vicuñas S.A.U. Investments in these companies have been valued at equity value, on the basis of their financial statements (see Note 7).

As of December 31, 2023, the Company does not prepare consolidated financial statements as the balances of Gasoducto Vicuñas S.A.U. are immaterial (see Note 1.1).

2.5 - Functional currency

(a) Functional and reporting currency

The Company’s functional and reporting currency is the Argentine peso. The Argentine peso is the currency that best reflects the economic substance of the Company’s relevant circumstances and underlying events taken as a whole. However, there are affiliated companies with a functional currency other than the peso, which are valued on an equity interest basis (see Note 7).

(b) Transactions and balances

Foreign currency transactions are converted into the functional currency based on the exchange rate prevailing at the date of the transactions or at the date of the financial statements in the case of accounts receivable or payable. Gains or losses resulting from exchange rates in force as at the date of the transaction and those in force at year end for foreign currency denominated assets and liabilities are recorded in the statement of comprehensive income. Exchange differences (gains or losses) are reported in the statement of comprehensive income under “Financial income” and “Financial expenses”, respectively.

2 - PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.5 - Functional currency

(c) Affiliated companies

The results of operations and financial position of affiliated companies, which have a functional currency different from TGN's reporting currency, and none of which operates in hyperinflationary economy, are converted into the reporting currency as follows:

i. Assets and liabilities are converted at the exchange rates prevailing at the closing date of financial statements;
ii. Income and expenses are converted at the monthly average exchange rate, except where such exchange rate does not reasonably reflect the cumulative effect of exchange rates prevailing at the date of each transaction, in which event they are converted at the exchange rate in force at the date of each transaction; and
iii. All resulting conversion differences are reported under other comprehensive income with a balancing entry under "other reserves" (see Note 2.11.3).

2.6 – Property, plant and equipment

The Company uses, between the two models foreseen in IAS 16 ("Property, plant and equipment"), the "revaluation model" for valuating: (i) its essential assets which include gas pipelines and branch lines, compressor plants, meter and regulating stations, other technical installations, certain plots of land, certain buildings and civil construction works, gas inventory and the SCADA system; and (ii) other revalued assets, including: all other Lands and Buildings and civil construction works (collectively, "Revalued Assets").

Revaluation shall be conducted as often as necessary so that the book value will not significantly differ from the fair value of assets as of the date of each measurement. Cumulative depreciation as of each revaluation date shall be proportional to the change in the gross book value of the asset, so that the book value after revaluation is equal to its revalued amount.

To measure the fair value of Revalued Assets the "income approach" established by IFRS 13 ("Fair Value Measurement") is used as valuation method. Said valuation method has been categorized as per IFRS 13 within Level 3 of the fair value hierarchy. The Company uses a discounted cash flow model based on estimates about future performance of certain inputs that are sensitive to the fair value determination process: (i) firm transportation capacity contracted and transportation volumes sold under interruptible and exchange and displacement modalities; (ii) gas transportation rates; (iii) operation and maintenance expenses; (iv) mandatory investments agreed with ENARGAS; (v) weighted discount rate; and (vi) macro-economic variables, such as the inflation rate, devaluation rate, etc. The Company believes that any sensitivity analysis involving relevant modifications to the above mentioned variables, could result in significant changes.

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

2 - PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.6 – Property, plant and equipment (Cont.)

Discounted cash flows used cover a period of 14 years, i.e., the years remaining to elapse until the due date of the initial 35-year License period (to take place in 2027) plus the ten-year extension period the Company may apply for (PEN Decree No. 2255/92). Additionally, TGN has reflected under discounted cash flows an additional amount foreseen in the License upon expiration thereof, when the Company will be entitled to receive the lesser of the residual value of essential assets or the amount resulting from a new tender, net of expenses and taxes paid by the successful bidder. This latter amount has been recognized by the Company as a perpetual income as of that date.

The increase or decrease in the book value of an asset as a consequence of a revaluation is reported under “Other comprehensive income”, net of the associated deferred tax. When the book value of an asset is impaired as a result of a revaluation, said impairment will be reported under the income for the year to the extent it exceeds the balance standing in the “Revaluation surplus”.

As required under CNV regulations for valuation of items of Property, plant and equipment at fair value, the Company entrusts said valuation to independent external experts who act as advisors to the Board, with the latter being ultimately responsible for said valuation.

Based on the measurement made in accordance with the revaluation model, the following differences have been identified with respect to book values measured by the ‘cost model’, for Revalued Assets as of December 31, 2023:

Revalued Assets	**Residual book value as of 12/31/2023 (cost model)**	**Higher value net of impairment**	**Fair value as of 12/31/2023 (revaluation model)**
Gas pipelines and branch lines	162,488,164	53,110,036	215,598,200
Compressor plants	30,439,408	7,923,941	38,363,349
Meter and regulating stations	6,450,340	1,485,644	7,935,984
SCADA System	4,917,243	520,532	5,437,775
Lands	257,258	320,608	577,866
Buildings and civil construction works	6,137,689	1,678,185	7,815,874
Gas inventory	3,047,816	4,663,343	7,711,159
Other technical installations	9,667,012	162,957	9,829,969
Subtotal essential assets	**223,404,930**	**69,865,246**	**293,270,176**
Lands	24,892	196,142	221,034
Buildings and civil construction works	2,477,530	418,691	2,896,221
Subtotal other assets subject to revaluation	**2,502,422**	**614,833**	**3,117,255**
Total Revalued Assets	**225,907,352**	**70,480,079**	**296,387,431**

Cumulative depreciation as of the revaluation date is offset against the gross book value of the asset. Depreciation, based on a component criterion, is calculated using the straight-line method based on the remaining useful life as of the revaluation date:

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

2 - PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.6 – Property, plant and equipment (Cont.)

	Years of estimated remaining useful life
Gas pipelines and branch lines	1 and 14
Compressor plants	3
Meter and regulating stations	14
SCADA System	4
Gas inventory	n/a
Lands	n/a
Buildings and civil construction works	23
Other technical installations	9

During the fiscal year ended December 31, 2023, the Company recognized an impairment charge for its property, plant and equipment for an amount of 2,512,379.

The depreciation charge in each fiscal year is recognized under Income for the fiscal year. “Revaluation surplus” reported under Shareholders’ Equity decreases due to the use, retirement and disposal of Revalued Assets with a counter-entry in “Retained earnings” under Shareholders’ Equity, with no negative impact on the income for the fiscal year. As for depreciation charges, the amount to be transferred from the account “Revaluation surplus” will be equal to the difference between depreciation calculated on the revalued asset and depreciation that would have been estimated on the basis of its initial cost, net of the deferred tax effect. If an impairment loss occurs, it shall be immediately recorded under income for the fiscal year unless the asset is accounted for under the revaluation method, in which event the impairment loss shall be treated as a decrease in the account “Revaluation surplus”, and the excess will be attributed to income for the fiscal year.

Changes in “Revaluation surplus” are described below:

Balance as of December 31, 2021	66,437,164
Reversal during 2022 fiscal year	(14,184,553)
Impairment during 2022 fiscal year	(1,279,839)
Balance as of December 31, 2022	50,972,772
Reversal during 2023 fiscal year	(3,527,664)
Impairment during 2023 fiscal year	(1,633,047)
Balance as of December 31, 2023	45,812,061

2 - PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.6 – Property, plant and equipment (Cont.)

Non-essential assets not subject to revaluation have been valued using the "cost model" foreseen in IAS 16 ("Property, plant and equipment"), upon acquisition, considering the purchase or construction cost, including material, labour and indirect costs and are then adjusted for inflation as provided in IAS 29. Depreciation is calculated using the straight-line method, applying annual depreciation rates sufficient to extinguish their original values at the end of their useful lives. In determining the useful lives ENARGAS regulations have been considered, among other parameters.

	Years of estimated remaining useful life
Machinery, equipment and tools	5
Other technical installations	2
Communication equipment and devices	2
Vehicles	4
Furniture and fixtures	6
Rights-of-use	1-14
Works in progress	n/a

The depreciation charge for each fiscal year is recognized under Income. The residual value and useful life of an asset are reviewed, at least, as of each fiscal year end, and if expectations differ from previous estimates, changes are reported as a change in an accounting estimate as provided under IAS 8 ("Accounting Policies, Changes in Accounting Estimates and Errors"). Assets are impaired to reflect their recoverable amount if the carrying residual value exceeds the estimated recoverable amount.

Gains and losses derived from the sale of assets are determined by comparing income received with their carrying residual value and reported in the statement of comprehensive income under "Other net income and expenses" (See Note 25 to these financial statements).

The Company has considered as part of the acquisition price of "Property, plant and equipment" items, net cost of third-party funding in the case of long-term construction works, until their start-up. The above-mentioned amounts are reported net of cumulative depreciations. Subsequent costs are recognized only when they are likely to generate future economic benefits for the Company and can be reasonably measured.

2 - PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.7 – Financial Instruments

2.7.1 – Recognition and Valuation

All financial instruments have been recognized or derecognized on the trade date, i.e., the date on which the Company purchases or sells said instruments. Financial assets are initially measured at fair value, net of transaction costs, except for those financial assets classified at fair value into profit or loss, where transaction costs are recorded as a financial expense in the statement of comprehensive income.

Investments are derecognized when the right to receive their cash flows expire or is transferred and the Company substantially ceases to have all the risks and rewards derived from ownership. Trade accounts receivable and other accounts receivable are valued at amortized cost applying the effective interest rate method.

Profits and losses from changes in the fair value of financial assets at fair value through profit or loss are included in the statement of comprehensive income under “Net Financial Income”, in the fiscal year in which the aforementioned changes take place.

Different valuation levels for financial instruments carried at fair value have been defined as follows:

* Level 1: Quoted prices in active markets for identical assets.
* Level 2: Information, other than the quoted price included in Level 1 that can be confirmed for the asset, either directly (i.e., prices) or indirectly (i.e., derived from prices).
* Level 3: Information on the asset that cannot be confirmed in the market (i.e., non-observable data).

As of this date, the Company has no financial instruments valued as established in Level 3.

The value of financial instruments traded on active markets is based on the quoted market prices at the date of the financial statements. The quoted market price used for financial assets held by the Company is the ask price as of December 31, 2023. These instruments are included in Level 1 and comprise investments in mutual funds, notes and government bonds. Note 10 to these financial statements contains a description of the Company's Level 1 assets, measured at fair value as of December 31, 2023 and December 31, 2022.

2.7.2 - Classification

The Company classifies its financial instruments into the following categories: financial assets at fair value through profit or loss, financial assets at amortized cost and financial liabilities at amortized cost. This classification depends on the Company’s business model to manage financial assets and the characteristics of the contractual cash flows thereof.

Free translation from the original in Spanish for publication in Argentina

2 - PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.7 – Financial Instruments (Cont.)

2.7.1 – Recognition and Valuation (Cont.)

The Company has a policy approved by the Board, which describes the criteria to value its investments in financial assets and establishes monitoring mechanisms to be followed by the General Management Department, as to the proper application of said criteria.

2.7.2.1 – Financial Assets at Fair Value through Profit or Loss

Financial assets at fair value included within this category are the notes, mutual funds and certain government bonds.

2.7.2.2 – Financial Assets at Amortized Cost

The following items have been included in this category: cash and cash equivalents, term deposits, investments of restricted availability, bonds, surety bonds in pesos, trade accounts receivable and other accounts receivable.

2.7.2.3 – Financial Liabilities at Amortized Cost

The Company has determined that all financial liabilities are valued at amortized cost using the effective interest rate method.

2.7.3 - Impairment

As of the date of issue of each of its Financial Statements, the Company makes an estimate of the impairment of its financial assets, based on the expected loss model, where impairment is recognized during the life of the financial asset, considering historical loss data and reasonable estimates of future economic conditions.

2.8 - Materials and Spare Parts

Materials and spare parts are recorded at their historical cost adjusted for inflation, as provided in IAS 29. This cost is calculated according to the “Weighted Average Price” method. The breakdown of materials and spare parts into current and non-current has been performed based on the estimated utilization schedule. An allowance for slow-moving and obsolete materials and spare parts is determined for those slow-moving or obsolete assets. Considering the economic and financial projections prepared by the Company based on its best estimate, the book value of materials and spare parts does not exceed their recoverable value.

Free translation from the original in Spanish for publication in Argentina

2 - PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.9 – Trade Accounts Receivable and Other Accounts Receivable

Trade accounts receivable represent amounts due from customers for services rendered by the Company in the normal course of its business. If said amounts are expected to be received within one year or less, they are classified as current assets. Otherwise, they are disclosed as non-current assets. Non-current trade accounts receivable are principally related to customers in dispute described in Notes 22.1.3 and 22.1.4 to these financial statements, and have been valued according to the best estimate of receivables.

Other accounts receivable has been valued at amortized cost applying the effective interest rate method, net of an allowance for doubtful accounts. To estimate expected credit losses, the Company applies IFRS 9. Said standard requires that a loss allowance be established during the full lifetime of trade accounts receivable. The expected credit loss to be recognized is calculated based on a percentage of bad debts across due dates of each trade account receivable. To measure the expected credit loss, trade accounts receivable have been grouped based on their credit risk and time elapsed since due. Book value of trade accounts receivable and other accounts receivable does not present material differences when compared to their fair value.

2.10 – Cash and Cash Equivalents

This item includes available cash, bank deposits and other short-term liquid investments originally falling due within three months or less. Available cash, bank deposits, sureties and term deposits are valued at their amortized cost. Mutual funds are valued at their fair value. Note 14 to these financial statements provides a breakdown of cash and cash equivalents.

2.11 – Shareholders' Equity

Shareholders' equity includes share capital, reserves, other comprehensive income, and retained earnings, recorded as provided at the Shareholders' Meeting and applicable laws and regulations. These accounts are restated as provided in Note 2.3 to these financial statements, except for Share capital account, which is maintained at nominal value.

2.11.1 – Share capital and share capital adjustment

Common shares are recorded at their nominal value. The difference between share capital stated in constant currency and its historical nominal value is shown under "Share capital adjustment" in the statement of changes in shareholders' equity.

2.11.2 – Legal Reserve

As provided in the LGS and CNV regulations, 5% of the year's net profit must be set aside and allocated to Legal Reserve, provided there are no cumulative losses, in which event, said 5% must be calculated on the excess of net profit for the year over cumulative losses. In compliance with said provisions, TGN's Legal Reserve reached 20% of its share capital plus the balance in the "share capital adjustment" account.

2 – PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.11 – Shareholders' Equity (Cont.)

2.11.3 – Reserves

The "Optional reserve for working capital and liquidity coverage" and the "Voluntary reserve for future dividends" have been accounted for based on the decision adopted at the Shareholders' Meeting.

The "Revaluation surplus" is reported as described in Note 2.6 to these financial statements.

"Other reserves" include the reserve for affiliated companies' currency conversion, which is reported as described in Note 2.5 (c) to these financial statements.

2.11.4 – Retained earnings

Retained earnings include cumulative profits or losses not specifically allocated, which if positive may be distributed if so decided at a Shareholders' Meeting, in absence of any applicable legal restriction.

2.12 – Trade Accounts Payable and Other Debts

Trade accounts payable represent payment obligations for goods or services purchased from suppliers in the normal course of the Company's business. Trade accounts payable and other debts are classified as current or non-current liabilities depending on when the Company's liabilities become due. Trade accounts payable and other debts have been valued at their amortized cost, using the effective interest rate method. Book value of trade accounts payable and other debts do not present material differences when compared to their fair value.

2.13 – Loans

Loans have been valued at their amortized cost. Any difference between loans received (net of transaction costs) and amounts repaid is recognized in the statement of comprehensive income, using the effective interest rate method. Loans are classified as current or non-current liabilities, depending on when principal and interest payments become due.

2 – PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.14 – Income Tax

(a) Income Tax

The income tax charge for the year comprises both current and deferred tax. The income tax is recognized under the statement of comprehensive income, except to the extent related to items recognized under Other comprehensive income, in which case it is recognized under Other comprehensive income.

Current income tax is calculated in accordance with legislation approved as of the date of these financial statements. Positions taken as reflected in tax returns are periodically reviewed where applicable tax regulations are subject to interpretation, and if necessary, provisions are established for estimated amounts likely to be paid.

Deferred income tax is recognized in accordance with the balance sheet method, based on temporary differences resulting between tax bases for assets and liabilities and carrying amounts. It is calculated using tax rates approved, expected to be applicable when the deferred income tax asset is realized or the deferred income tax liability is paid, based on the laws enacted as of the close of fiscal year.

Deferred income tax assets are recognized only to the extent future tax benefits are likely to be available so that temporary differences may be used.

Deferred income tax assets and liabilities are offset when allowed under the law, they derive from the same entity's income tax, are subject to the same tax authority, and are reported to the latter on a net basis.

By means of Decree No. 387/2021, the PEN passed Law No. 27,630 which, among other things, modifies the income tax rates that had been established by Law No. 27,430. Thus, said decree establishes a new tiered rate structure for the income tax for fiscal years as of January 1, 2021, with three segments according to the cumulative taxable net income.

These tiers have been updated by means of Administración Federal de Ingresos Públicos ("AFIP") General Resolution No. 5168/2022, for fiscal years beginning as of January 1, 2023, as follows:

- 25% for cumulative taxable net income of up to $ 14,301,209.21.
- $ 3,575,302.30 plus 30% over the excess of $ 14,301,209.21, for cumulative taxable net income above that amount and up to $ 143,012,092.08.
- $ 42,188,567.16 plus 35% over the excess of $ 143,012,092.08, for cumulative taxable net income above that amount.

2 – PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.14 – Income Tax (Cont.)

(a) Income Tax (Cont.)

Law No. 27,430 also establishes that the tax inflation adjustment provided for in Title VI of the Income Tax Law be applied to the first, second and third fiscal years as from its effective date (2018), provided the CPI cumulative variation from the beginning to the end of each fiscal year exceeds fifty-five percent (55%), thirty percent (30%) and fifteen percent (15%) in 2018, 2019 and 2020, respectively. The CPI cumulative variation recorded in the first fiscal year did not exceed 55%. However, during the two following fiscal years, according to the information published by INDEC, the CPI exceeded the percentages established. As of fiscal year 2019, the tax inflation adjustment has consequently been calculated and reflected in the current and deferred income tax provision, considering that the Solidarity Law established, as a temporary measure, that any resulting adjustment, either gain or loss, for the first and second fiscal years as from January 1, 2019, be allocated as follows: one-sixth during said fiscal period and the remaining five-sixths during the immediately following five fiscal periods in equal shares. There have been no restrictions for the application of the adjustment established in Title VI of the Law for fiscal years beginning on January 1, 2021 and subsequent years.

(b) Tax on dividends

Law No. 27,430, has introduced a tax on dividends or distribution of earnings, applicable among others, to Argentine companies or permanent establishments, individuals, undivided estates or foreign beneficiaries. However, as a result of the changes introduced by the Solidarity Law and the above mentioned Law No. 27,630, it was established that dividends derived from earnings accrued during fiscal years beginning January 1, 2018 are subject to a 7% withholding tax.

2.15 - Contingencies

Provisions for labour, civil and administrative lawsuits are recognized when the Company has a legal or constructive liability as a result of past events, and it is likely that an outflow of cash will be required to settle said liability in an amount that can be accurately estimated. Provisions for contingencies are measured at the estimated present value of cash disbursements expected to be required to settle said liability.

2 – PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.16 - Leases

Leases are recognized as a right-of-use asset, and a liability is recorded on the date when the leased asset is available for use by the Company. Right-of-use assets are measured at cost, which includes the following:

- initial lease liability,
- lease payments made on or before commencement date, and
- any initial direct cost.

Right- of-use assets are depreciated on a straight-line basis throughout the lesser of the useful life of the asset or lease term. Lease liabilities are measured at the present value of discounted future payments under the lease agreement, at a discount rate implicit in said agreements, if it can be determined, or at the weighted average of the incremental borrowing rate.

2.17 – Revenue Recognition

As from January 1, 2018, the Company has applied IFRS 15 "Revenue from Contracts with Customers".

Consequently, revenues from firm and interruptible transportation services and operation and maintenance contracts are recognized at the present value of the amounts received or to be received, net of value added tax, withholdings and discounts. Firm transportation revenues are recognized based on the contracted capacity reserved, regardless of actual usage. Interruptible transportation revenues are recognized based on the volumes of natural gas delivered. Operation and maintenance revenues are recognized when services are provided.

IFRS 15 sets up a five-step model to recognize and measure revenues: i) identify the contract with the customer; ii) identify the performance obligations in the contract; iii) determine the transaction price; iv) allocate the transaction price to the performance obligations in the contract; and v) recognize revenue when or as the entity satisfies a performance obligation.

According to the basic rules of the License, the Company transfers the turnover tax and tax on bank transactions, related to regulated services, to customers via increases in monthly billings.

2.18 - Interest

Interest income is recognized based on the proportion of time elapsed, using the effective interest rate method and the original contractual rate associated with the underlying instrument or loan.

2 – PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.19 –Related Party Transactions

Related party transactions with controlling company, affiliated companies and other related parties are entered into according to current market conditions. Individuals and companies comprised in Section 72 of the Capital Markets Law, have been included as related parties.

2.20 - Commitments

As of the date of these Financial Statements, the Company has committed disbursements (see Notes 1.2 and 6.1 to these Financial Statements).

2.21 – Changes in Interpretation and Accounting Standards

a) New accounting standards, amendments and interpretations issued by IASB applicable as from December 31, 2023, 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 the current fiscal year which may have a significant impact on the Company's financial statements.

3 – FINANCIAL RISK MANAGEMENT

3.1 – Financial Risk Factors

The Company's activities expose it to various financial risks: capital risk, market risk (including currency risks, price risks, interest rate risks on fair value and cash flows), credit risk and liquidity risk. The Company has an investment policy that provides a conceptual framework within which investments and fund placements are made, minimizing exposure to capital risk, maximizing return based on specific market characteristics, and maintaining liquidity levels necessary for its normal operation.

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

3 – FINANCIAL RISK MANAGEMENT (Cont.)

3.2 – Capital Risk Management

The following table shows the Company's capitalization as of December 31, 2023 and December 31, 2022:

	12.31.2023	12.31.2022
Current Loans	52,905,982	89,766
Non-Current Loans	-	30,165,174
Total Loans	52,905,982	30,254,940
Share capital	439,374	439,374
Share capital adjustment	174,893,026	174,893,026
Legal reserve	35,066,497	35,066,497
Optional reserve for working capital and liquidity coverage	134,807,184	142,962,853
Revaluation surplus	45,812,061	50,972,772
Other Reserves	356,322	(279,843)
Retained Earnings	61,254,320	(8,155,669)
Total Shareholders' Equity	452,628,784	395,899,010
Total Capitalization	505,534,766	426,153,950

3.3 – Market Risks

3.3.1 – Currency Risks

The potential impact on the statement of comprehensive income and the statement of changes in shareholders' equity resulting from each percentage point of depreciation or appreciation of the peso against the US dollar would account for an approximate loss or profit, as applicable, of $ 2,086.2 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.

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

3 – FINANCIAL RISK MANAGEMENT (Cont.)

3.3 – Market Risks (Cont.)3.3.1 – Currency Risks (Cont.)

3.3.1 – Currency Risks (Cont.)

Foreign Currency denominated Assets and Liabilities

	12.31.23				12.31.22		
	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							
Other accounts receivable							
Compensations receivable	US$	143,100	805.45	115,259,895			-
				115,259,895			**-**
Trade accounts receivable (Note 13)							
Trade accounts receivable with third parties	US$	114,529	805.45	92,247,655	US$	189,378	104,359,876
				92,247,655			**104,359,876**
Investments at amortized cost of restricted availability (Note 9)							
Investments at amortized cost of restricted availability				-	US$	56,572	31,175,197
				-			**31,175,197**
Investments at amortized cost (Note 9)							
Term deposits	US$	1,161	805.45	934,918			-
				934,918			**-**
Total non-current assets				**208,442,468**			**135,535,073**
CURRENT ASSETS							
Other accounts receivable (Note 12)							
Compensations receivable	US$	47,695	805.45	38,415,938			-
Other trade receivables				-	US$	1,709	941,775
Other receivables with controlling company	US$	17	805.45	13,988	US$	16	8,841
Other receivables with affiliated companies	US$	13	805.45	10,606	US$	12	6,436
	R$	106	168.00	17,733	R$	106	10,255
				38,458,265			**967,307**
Trade accounts receivable (Note 13)							
Trade accounts receivable with third parties	US$	3,596	805.45	2,896,039	US$	8,287	4,566,644
Trade accounts receivable with related parties	US$	86	805.45	69,446	US$	83	45,808
Trade accounts receivable with affiliated companies	US$	15	805.45	12,380	US$	13	7,153
				2,977,865			**4,619,605**
Investments at amortized cost of restricted availability (Note 9)							
Investments at amortized cost of restricted availability	US$	56,570	805.45	45,564,620			-
				45,564,620			**-**
Investments at fair value							
Mutual funds	US$	19,473	805.45	15,684,217			-
				15,684,217			**-**
Cash and cash equivalents (Note 14)							
Bank balances	US$	105	805.45	84,291	US$	4	2,289
				84,291			**2,289**
Total current assets				**102,769,258**			**5,589,201**
Total assets				**311,211,726**			**141,124,274**

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

Free translation from the original in Spanish for publication in Argentina

3 – FINANCIAL RISK MANAGEMENT (Cont.)

3.3 – Market Risks (Cont.)

3.3.1 – Currency Risks (Cont.)

Foreign Currency denominated Assets and Liabilities (Cont.)

	12.31.23				12.31.22		
	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 16)							
Loan with Itaú Unibanco S.A. Nassau Branch				-	US$	54,678	30,165,174
				-			**30,165,174**
Lease debt							
Lease debt	US$	4,792	808.45	3,874,129	US$	4,783	**2,132,767**
				3,874,129			**2,132,767**
Total Non-current liabilities				**3,874,129**			**32,297,941**
CURRENT LIABILITIES							
Trade accounts payable (Note 21)							
Suppliers - goods and services	US$	3,853	808.45	3,115,140	US$	180	99,102
	£	386	1.032.88	398,997			-
Unbilled Goods and Services	US$	10,774	808.45	8,710,298	US$	9,285	5,122,631
	£	55	1.032.88	56,739	£	55	36,724
	€	86	894.71	77,117	€	69	40,941
				12,358,291			**5,299,398**
Loans (Note 16)							
Itaú Unibanco S.A. Nassau Branch loan	US$	55,802	808.45	45,113,426	US$	163	89,766
				45,113,426			**89,766**
Lease debt							
Lease debt	US$	356	808.45	287,700	US$	774	**345,013**
				287,700			**345,013**
Other debts							
Sundry liabilities	US$	6,900	808.45	5,578,305			-
				5,578,305			-
Total Current Liabilities				**63,337,722**			**5,734,177**
Total Liabilities				**67,211,851**			**38,032,118**

US$: US Dollars
£: Pound sterling
€: Euros
R$: Brazilian Reais

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

3 – FINANCIAL RISK MANAGEMENT (Cont.)

3.3 – Market Risks (Cont.)

3.3.2 – 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 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 resulting from each percentage point increase or decrease in the average fair value of the investment portfolio would approximately represent a gain or loss, as applicable, of $ 723.7 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.

3.4 – Credit risks

The credit risk related to investments arises from the credit rating of the financial instrument and the counterparty where such instrument is deposited. The Company's investment policy establishes minimum levels of credit rating for financial instruments and counterparties, according to the type of instrument, currency and marketplace. The Company must transact business with financial institutions with high credit ratings and/or a strong market presence. Diversification restrictions are set, both by instrument and institution.

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated).

3 – FINANCIAL RISK MANAGEMENT (Cont.)

3.4 – Credit risks (Cont.)

As to customers, independent risk ratings are used, where available, or otherwise, a customer's credit rating considering its financial position, experience and other factors is assessed. If it is determined that the customer represents a risk in terms of payment or compliance with obligations, actions to eventually mitigate such risks are considered. The credit risk associated with gas transportation for export customers is described in Note 1.5 to these financial statements.

Short- and medium-term cash flow forecasting is performed on a regular basis to ensure that sufficient cash is available to meet the Company's operation and maintenance requirements.

3.5 – Liquidity risks

The Company invests cash surplus in interest-bearing accounts, term deposits, mutual funds, government bonds and securities, choosing instruments with adequate maturity dates or sufficient liquidity. The table below shows liabilities according to contractual maturities classified based on the term remaining to elapse to maturity, counted as from the date of the Financial Statements. The amounts derive from contractual undiscounted cash flows.

As of December 31, 2023	Less than 3 months	Between 3 months and a year	Between 1 and 2 years	More than 2 years	Past due/- Without term	Contractual Total	Balance as of December 31, 2023
Loans	8,845,188	45,622,542	-	-	-	54,467,730	52,905,982
Lease debt	32,799	548,414	133,161	9,112,898	-	9,827,272	4,248,963
Other liabilities (except Contingencies, Deferred income tax liabilities, Salaries and social security contributions, Income tax payable and Taxes payable)	7,438,199	89,333	238,222	129,037	12,882,279	20,777,070	20,777,070

As of December 31, 2022	Less than 3 months	Between 3 months and a year	Between 1 and 2 years	More than 2 years	Past due/- Without term	Contractual Total	Balance as of December 31, 2022
Loans	116,315	345,151	30,805,667	-	-	31,267,133	30,254,940
Lease debt	141,944	397,912	97,586	6,689,343	-	7,326,785	2,619,766
Other liabilities (except Contingencies, Deferred income tax liabilities, Salaries and social security contributions, Income tax payable and Taxes payable)	4,996,076	142,662	380,431	427,986	5,580,843	11,527,998	11,527,998

4 – CRITICAL ACCOUNTING ESTIMATES

In preparing these Financial Statements the Company's Board is required to make estimates that affect the valuation of contingent assets and liabilities disclosed as of their date of issue, the allowance for doubtful accounts and disputed amounts (see Notes 2.9, 22.1.3 and 22.1.4), depreciation, fair value of essential assets (see Note 2.6), allowance for slow-moving or obsolete materials (see Note 2.8), income tax charge (see Note 2.14), as well as income and expenses recorded in the pertinent fiscal year. However, actual results may significantly differ from the estimates used in the preparation of these Financial Statements.

5 –SEGMENT INFORMATION

Segment reporting 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);

	12.31.2023	12.31.2022
Revenues	99,437	127,498
Costs of service	(86,073)	(75,831)
Management EBITDA	13,364	51,667
Acquisition of "Property, plant and equipment"	24,550	27,248

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

	12.31.2023	12.31.2022
Management EBITDA in million pesos	13,364	51,667
"Property, plant and equipment" depreciation	(44,708)	(71,851)
Other net income and expenses	61,959	(35)
Recovery due to impairment of financial assets	20,087	302
Net financial income	39,974	(19,460)
Income (loss) from investments in affiliated companies	250	284
Income before income tax	90,926	(39,093)

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

Free translation from the original in Spanish for publication in Argentina

6 – PROPERTY, PLANT AND EQUIPMENT

	12.31.2023										Net book value	
	Cost of acquisition						Depreciation					
	At the beginning of fiscal year	Additions	Disposals	Transfers	Impairment Revaluation	At the end of fiscal year	At the beginning of fiscal year	Fiscal year	Disposals	At the end of fiscal year	12.31.2023	12.31.2022
Essential assets:												
Gas pipelines and branch lines	223,640,028	504,349	(13,050)	24,268,972	(1,827,505)	246,572,794	-	30,979,131	(4,537)	30,974,594	215,598,200	223,640,028
Compressor plants	37,106,950	-	(5,004)	9,527,001	(325,102)	46,303,845	-	7,941,902	(1,406)	7,940,496	38,363,349	37,106,950
Meter and regulating stations	5,651,968	-	(22,273)	2,751,141	(67,332)	8,313,504	-	392,770	(15,250)	377,520	7,935,984	5,651,968
SCADA system	5,848,264	-	-	897,170	(45,976)	6,699,458	-	1,261,683	-	1,261,683	5,437,775	5,848,264
Gas inventory	7,742,934	33,547	-	-	(65,322)	7,711,159	-	-	-	-	7,711,159	7,742,934
Lands	582,890	-	-	-	(5,024)	577,866	-	-	-	-	577,866	582,890
Buildings and civil construction works	8,227,328	-	-	-	(66,327)	8,161,001	-	345,127	-	345,127	7,815,874	8,227,328
Other technical installations	7,462,012	-	(62,005)	3,906,300	(83,411)	11,222,896	-	1,454,932	(62,005)	1,392,927	9,829,969	7,462,012
Sub-total essential assets	**296,262,374**	**537,896**	**(102,332)**	**41,350,584**	**(2,485,999)**	**335,562,523**	**-**	**42,375,545**	**(83,198)**	**42,292,347**	**293,270,176**	**296,262,374**
Other revalued assets:												
Lands	222,793	-	-	-	(1,759)	221,034	-	-	-	-	221,034	222,793
Buildings and civil construction works	3,054,199	-	-	-	(24,621)	3,029,578	-	133,357	-	133,357	2,896,221	3,054,199
Sub-total other revalued assets	**3,276,992**	**-**	**-**	**-**	**(26,380)**	**3,250,612**	**-**	**133,357**	**-**	**133,357**	**3,117,255**	**3,276,992**
Total revalued assets	**299,539,366**	**537,896**	**(102,332)**	**41,350,584**	**(2,512,379)**	**338,813,135**	**-**	**42,508,902**	**(83,198)**	**42,425,704**	**296,387,431**	**299,539,366**
Non-essential assets:												
Machinery, equipment and tools	6,892,077	952,099	(131,389)	-	-	7,712,787	5,707,105	400,975	(126,524)	5,981,556	1,731,231	1,184,972
Other technical installations	7,305,394	969,800	(6,124)	-	-	8,269,070	5,989,356	658,748	(4,726)	6,643,378	1,625,692	1,316,038
Communication equipment and devices	812,036	34,463	(526)	-	-	845,973	694,760	49,958	(482)	744,236	101,737	117,276
Vehicles	5,513,478	1,558,748	(165,635)	-	-	6,906,591	3,850,107	622,643	(152,597)	4,320,153	2,586,438	1,663,371
Furniture and fixtures	2,658,546	230,435	(37,233)	-	-	2,851,748	2,222,349	89,662	(36,191)	2,275,820	575,928	436,197
Right-of-use (Note 20)	3,592,255	419,391	-	-	-	4,011,646	617,618	376,758	-	994,376	3,017,270	2,974,637
Works in progress	32,993,911	19,847,544	(860,007)	(41,350,584)	-	10,630,864	-	-	-	-	10,630,864	32,993,911
Sub-total non-essential assets	**59,767,697**	**24,012,480**	**(1,200,914)**	**(41,350,584)**	**-**	**41,228,679**	**19,081,295**	**2,198,744**	**(320,520)**	**20,959,519**	**20,269,160**	**40,686,402**
Balance as of December 31, 2023	**359,307,063**	**24,550,376**	**(1,303,246)**	**-**	**(2,512,379)**	**380,041,814**	**19,081,295**	**44,707,646**	**(403,718)**	**63,385,223**	**316,656,591**	**-**
Balance as of December 31, 2022	**404,361,635**	**27,248,285**	**(868,500)**	**-**	**(1,968,979)**	**428,772,441**	**17,262,982**	**71,851,390**	**(567,699)**	**88,546,673**	**-**	**340,225,768**

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

6 – PROPERTY, PLANT AND EQUIPMENT (Cont.)

	12.31.2022										Net book value
	Cost of acquisition						Depreciation				
	At the beginning of fiscal year	Additions	Disposals	Transfers	Impairment	At the end of fiscal year	At the beginning of fiscal year	Fiscal year	Disposals	At the end of fiscal year	12.31.2022
Essential assets:											
Gas pipelines and branch lines	273,043,409	-	-	8,863,879	(1,470,068)	280,437,220	-	56,797,192	-	56,797,192	223,640,028
Compressor plants	37,312,534	-	(13,686)	9,562,208	(243,916)	46,617,140	-	9,522,304	(12,114)	9,510,190	37,106,950
Meter and regulating stations	6,104,284	-	(779)	65,287	(37,154)	6,131,638	-	480,209	(539)	479,670	5,651,968
SCADA system	7,437,193	-	-	-	(38,443)	7,398,750	-	1,550,486	-	1,550,486	5,848,264
Gas inventory	7,793,830	-	-	-	(50,896)	7,742,934	-	-	-	-	7,742,934
Lands	438,431	-	-	148,289	(3,830)	582,890	-	-	-	-	582,890
Buildings and civil construction works	8,437,961	-	-	146,816	(54,082)	8,530,695	-	303,367	-	303,367	8,227,328
Other technical installations	6,909,248	-	-	1,370,782	(49,050)	8,230,980	-	768,968	-	768,968	7,462,012
Sub-total essential assets	**347,476,890**	**-**	**(14,465)**	**20,157,261**	**(1,947,439)**	**365,672,247**	**-**	**69,422,526**	**(12,653)**	**69,409,873**	**296,262,374**
Other revalued assets:											
Lands	224,257	-	-	-	(1,464)	222,793	-	-	-	-	222,793
Buildings and civil construction works	2,584,216	-	-	545,564	(20,076)	3,109,704	-	55,505	-	55,505	3,054,199
Sub-total other revalued assets	**2,808,473**	**-**	**-**	**545,564**	**(21,540)**	**3,332,497**	**-**	**55,505**	**-**	**55,505**	**3,276,992**
Total revalued assets	**350,285,363**	**-**	**(14,465)**	**20,702,825**	**(1,968,979)**	**369,004,744**	**-**	**69,478,031**	**(12,653)**	**69,465,378**	**299,539,366**
Non-essential assets:											
Machinery, equipment and tools	6,523,047	382,953	(13,923)	-	-	6,892,077	4,705,257	1,014,292	(12,444)	5,707,105	1,184,972
Other technical installations	7,046,264	278,450	(19,320)	-	-	7,305,394	5,607,359	401,317	(19,320)	5,989,356	1,316,038
Communication equipment and devices	769,551	43,936	(1,451)	-	-	812,036	646,822	49,392	(1,454)	694,760	117,276
Vehicles	5,209,529	844,272	(540,323)	-	-	5,513,478	3,737,231	626,667	(513,791)	3,850,107	1,663,371
Furniture and fixtures	2,583,731	83,248	(8,433)	-	-	2,658,546	2,148,675	81,711	(8,037)	2,222,349	436,197
Right-of-use (Note 20)	464,091	3,128,164	-	-	-	3,592,255	417,638	199,980	-	617,618	2,974,637
Works in progress	31,480,059	22,487,262	(270,585)	(20,702,825)	-	32,993,911	-	-	-	-	32,993,911
Sub-total non-essential assets	**54,076,272**	**27,248,285**	**(854,035)**	**(20,702,825)**	**-**	**59,767,697**	**17,262,982**	**2,373,359**	**(555,046)**	**19,081,295**	**40,686,402**
Balance as of December 31, 2022	**404,361,635**	**27,248,285**	**(868,500)**	**-**	**(1,968,979)**	**428,772,441**	**17,262,982**	**71,851,390**	**(567,699)**	**88,546,673**	**340,225,768**

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

6 – PROPERTY, PLANT AND EQUIPMENT (Cont.)

6.1 – Commitments

As of December 31, 2023 and December 31, 2022, the Company's firm contractual commitments with suppliers for the acquisition of Property, plant and equipment amount to 4,990,263 and 5,183,228, respectively.

7 – INVESTMENTS IN AFFILIATED AND CONTROLLED COMPANIES

	12.31.2023	12.31.2022
Balance at the beginning of fiscal year	1,160,090	933,541
Investment in Gasoducto Vicuñas S.A.U.	3,887	-
Income from investments in affiliated and controlled companies	250,457	284,480
Conversion difference allocated to Other comprehensive income	636,165	(57,931)
Balance at the end of fiscal year	2,050,599	1,160,090

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

7 – INVESTMENTS IN AFFILIATED AND CONTROLLED COMPANIES (Cont.)

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

	Description			Book value as of		Information on issuer						
							Most Recent Financial Statements					
Issuer	Shares	Face Value	Amount	12.31.23	12.31.22	Main Activity	Date	Share capital and Share Capital Adjustment	Other Reserves	Retained Earnings	Shareholder's Equity	Percentage of Direct Interest
Comgas Andina S.A.	Common	(1) 1 per share	490	2,031,764	1,154,466	Gas pipeline operation and maintenance service	12.31.23	1,613	-	4,144,840	4,146,453	49.0
Companhia Operadora do Rio Grande do Sul	Common	(2) 1 per share	49	17,781	5,624	Gas pipeline operation and maintenance service	12.31.23	16	67,545	(31,274)	36,287	49.0
Gasoducto Vicuñas S.A.U.	Common	(3) 1 per share	2,000,000	1,054	-	Construction, operation, maintenance and sale of natural gas pipeline capacity	12.31.23	3,887	-	(2,833)	1,054	100.0
Total				**2,050,599**	**1,160,090**							

(1) Chilean pesos
(2) Brazilian Reais
(3) Pesos

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

8 – INCOME TAX

The deferred income tax net position is as follows:

	12.31.2023	12.31.2022
Deferred income tax assets:		
Deferred income tax assets to be recovered after 12 months	12,646,637	1,447,566
Deferred income tax assets to be recovered within 12 months	2,320,454	332,518
	14,967,091	1,780,084
Deferred income tax liabilities:		
Deferred income tax liabilities to be recovered after 12 months	(61,419,841)	(64,337,607)
Deferred income tax liabilities to be recovered within 12 months	119,045	283,549
	(61,300,796)	(64,054,058)
Deferred income tax liabilities (net)	(46,333,705)	(62,273,974)

Deferred tax assets and liabilities, excluding the settlement of balances, is as follows:

Deferred income tax assets	Trade accounts payable and financial liabilities	Materials and spare parts	Contingencies	Other debts	Tax Loss Carryforward	Other accounts receivable	Total
Balance as of December 31, 2021	469,017	406,325	177,814	59,968	-	5,995	1,119,119
Charged to statement of comprehensive income	(147,364)	(186,290)	797,555	(12,858)	214,691	(4,769)	660,965
Balance as of December 31, 2022	321,653	220,035	975,369	47,110	214,691	1,226	1,780,084
Charged to statement of comprehensive income	(152,430)	2,142,195	(906,609)	3,486,843	(214,691)	8,831,699	13,187,007
Balance as of December 31, 2023	169,223	2,362,230	68,760	3,533,953	-	8,832,925	14,967,091

Deferred income tax liabilities	Property, plant and equipment	Trade accounts receivable	Revaluation of Property, plant and equipment (1)	Investments at fair value	Tax inflation adjustment	Total
Balance as of December 31, 2021	(22,003,102)	(17,779,879)	(35,774,006)	(329,896)	(5,063,784)	(80,950,667)
Charged to statement of comprehensive income	3,352,674	1,592,663	8,326,953	367,838	3,256,481	16,896,609
Balance as of December 31, 2022	(18,650,428)	(16,187,216)	(27,447,053)	37,942	(1,807,303)	(64,054,058)
Charged to statement of comprehensive income	746,874	2,284,532	2,778,979	(4,538,473)	1,481,350	2,753,262
Balance as of December 31, 2023	(17,903,554)	(13,902,684)	(24,668,074)	(4,500,531)	(325,953)	(61,300,796)

(1) As of December 31, 2023, included net of revaluation balance of “Property, plant and equipment” under Shareholders’ Equity.

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

Free translation from the original in Spanish for publication in Argentina

8 – INCOME TAX (Cont.)

The income tax charge for fiscal year comprises the following:

	12.31.2023	12.31.2022
Current income tax	(48,260,234)	(115,781)
Deferred tax	15,060,932	16,868,429
Total income tax	(33,199,302)	16,752,648

Reconciliation between income tax charged to the statement of comprehensive income and the amounts obtained by applying the income tax rate to pre-tax income is presented below:

	12.31.2023	12.31.2022
Income before income tax	90,925,958	(39,092,870)
Statutory income tax rate	35%	35%
Income tax charge determined by applying statutory tax rate to the income for the fiscal year	(31,824,086)	13,682,505
Exceptions to statutory income tax rate:		
- Accounting adjustment for inflation	(66,312,562)	(46,039,029)
- Income from investments in affiliated and controlled companies	87,660	99,569
- Change in income tax rate (1)	3,461	-
- Tax inflation adjustment – Title VI and updates art 89 – Income Tax Law	12,163,084	9,029,738
- Tax revaluation – Law No. 27,430 – Chapter X – art. 1	52,135,424	39,878,723
- Other adjustments including non-deductible and not taxable items	547,717	101,142
Total income tax charge	(33,199,302)	16,752,648

(1) Derived from applying changes in income tax rate to the deferred income tax assets and liabilities, as provided under Law No. 27,430, based on the year in which their realization is expected to occur.

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

9 – INVESTMENTS

Non-Current:	12.31.2023	12.31.2022
Investments at amortized cost of restricted availability		
Term deposit of restricted availability (Note 3.3)	-	31,175,197
Total investments at amortized cost of restricted availability	**-**	**31,175,197**
Investments at amortized cost		
Term deposits	934,918	-
Total investments at amortized cost	**934,918**	-
Current:		
Investments at amortized cost		
VRD bonds	-	3,780
Total investments at amortized cost	**-**	**3,780**
Investments at amortized cost of restricted availability		
Term deposit of restricted availability (Note 3.3)	45,564,620	**-**
Total investments at amortized cost of restricted availability	**45,564,620**	**-**
Investments at fair value:		
Notes	3,042,434	16,776,514
Mutual funds	17,606,203	-
Government bonds	47,617,337	32,308,344
Total investments at fair value	**68,265,974**	**49,084,858**

Investments at amortized cost of restricted availability:

The Company has a term deposit as guarantee for the loan with Itaú Unibanco S.A. Nassau Branch for the amount of US$ 56.6 million (see Note 16 to these financial statements). These funds will remain restricted until the loan is repaid.

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

10 – FINANCIAL INSTRUMENTS BY CATEGORY

	12.31.2023	12.31.2022
Financial assets at fair value [1]:		
Current:		
Classified as “Investments at fair value”:		
Notes	3,042,434	16,776,514
Mutual funds	17,606,203	-
Government bonds	47,617,337	32,308,344
Subtotal	68,265,974	49,084,858
Classified as “Cash and cash equivalents”:		
Mutual funds (Note 14)	4,105,494	4,832,078
Subtotal	4,105,494	4,832,078
Total financial assets at fair value - Current	**72,371,468**	**53,916,936**
Financial assets at amortized cost:		
Current:		
Classified as “Investments at amortized cost”:		
VRD bonds	-	3,780
Subtotal	-	3,780
Classified as “Investments at amortized cost of restricted availability”:		
Term deposit of restricted availability	45,564,620	-
Subtotal	45,564,620	-
Classified as “Cash and cash equivalents”:		
Cash and banks [2] (Note 14)	380,595	89,106
Term deposits (Note 14)	-	1,401,344
Surety bonds (Note 14)	-	1,787,629
Subtotal	380,595	3,278,079
Classified as “Trade accounts receivable” and “Other accounts receivable”	50,594,446	18,369,713
Total financial assets at amortized cost - Current	**96,539,661**	**21,651,572**

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

10 – FINANCIAL INSTRUMENTS BY CATEGORY (Cont.)

Financial assets at amortized cost (Cont.):	12.31.2023	12.31.2022
Non-Current:		
Classified as "Investments at amortized cost of restricted availability":		
Term deposit of restricted availability	-	31,175,197
Subtotal	-	31,175,197
Classified as "Financial assets at amortized cost":		
Term deposits	934,918	-
Subtotal	934,918	-
Classified as "Trade accounts receivable" and "Other accounts receivable"	130,764,718	47,812,611
Total financial assets at amortized cost – Non-Current	**131,699,636**	**78,987,808**

	12.31.2023	12.31.2022
Financial liabilities at amortized cost:		
Current:		
Loans	52,905,982	89,766
Trade accounts payable, other debts and lease debt	20,384,160	10,611,111
Total financial liabilities at amortized cost – Current	**73,290,142**	**10,700,877**
Non-Current:		
Loans	-	30,165,174
Trade accounts payable, other debts and lease debt	4,641,873	3,536,653
Total financial liabilities at amortized cost – Non-Current	**4,641,873**	**33,701,827**

(1) Financial assets at fair value 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 financial statements. The quoted market price used for financial assets held by the Company is the ask price as of December 31, 2023 and 2022.
(2) As of December 31, 2023 and December 31, 2022, it includes 84,291, and 2,289, respectively, denominated in foreign currency (see Note 3.3.1).

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

10 – FINANCIAL INSTRUMENTS BY CATEGORY (Cont.)

Credit rating of the financial assets is as follows:

	12.31.2023	12.31.2022
AAA	5,469,276	13,178,575
AA	1,678,652	7,953,087
AA-	1,071,305	1,878,274
A+	15,684,217	-
A	850,681	-
BB	-	31,175,197
BB+	46,499,539	-
CCC+	-	32,308,344
CCC-	47,617,336	-
Other financial assets without credit rating	181,739,759	68,062,839
Total	300,610,765	154,556,316

11 – MATERIALS & SPARE PARTS

Non-Current		
Spare parts and consumables	16,883,524	17,962,099
Allowance for slow-moving and obsolete materials	(7,871,779)	(6,701,275)
Total non-current materials and spare parts	9,011,745	11,260,824

Changes in allowance for slow-moving and obsolete materials:

Balance as of December 31, 2021	6,742,502
– Recoveries, net	(41,227)
Balance as of December 31, 2022	6,701,275
– Increase	1,170,504
Balance as of December 31, 2023	7,871,779

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

12 – OTHER ACCOUNTS RECEIVABLE

	12.31.2023	12.31.2022
Non-current		
Tax credits – Income tax	-	663,551
Compensations receivable (Note 22.1.3)	90,516,876	-
Other	185,758	90,600
Total other accounts receivable – Non-current	90,702,634	754,151
Current		
Key management personnel (Note 28)	192,540	265,733
Prepaid expenses and advances	2,370,534	2,594,390
Compensations receivable (Note 22.1.3)	37,883,789	-
Tax credits – Value added tax	275,509	450,924
Assistance fees and recovery of expenses – controlling shareholder (Note 28)	13,988	8,841
Other receivables – affiliated companies (Notes 28 and 3.3)	28,339	16,691
Other receivables – other related parties (Note 28)	145,664	84,183
Allowance for doubtful accounts or disputed amounts	(1,127)	(3,510)
Other trade receivables	898,089	1,708,188
Total other accounts receivable - Current	41,807,325	5,125,440

Changes in the allowance for doubtful accounts or disputed amounts under other accounts receivable are as follows:

Balance as of December 31, 2021	17,137
– Applications	(5,540)
– Loss on monetary position	(8,087)
Balance as of December 31, 2022	3,510
– Loss on monetary position	(2,383)
Balance as of December 31, 2023	1,127

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

Free translation from the original in Spanish for publication in Argentina

13 – TRADE ACCOUNTS RECEIVABLE

	12.31.2023	12.31.2022
Non-current		
Trade accounts receivable - third parties (Note 3.3)	92,247,655	104,359,876
Allowance for doubtful accounts and disputed amounts	(52,185,571)	(57,301,416)
Total trade accounts receivable – Non-current	40,062,084	47,058,460
Current		
Trade accounts receivable - third parties	7,736,385	11,965,596
Trade accounts receivable – other related parties (Note 28)	1,225,421	2,621,386
Trade accounts receivable – affiliated companies (Note 28)	12,380	7,153
Less: Allowance for doubtful accounts and disputed amounts	(155,342)	(195,608)
Total trade accounts receivable - Current	8,818,844	14,398,527

Changes in the allowance for doubtful accounts or disputed amounts under non-current trade accounts receivable are as follow:

Balance as of December 31, 2021	64,665,494
– Loss due to monetary position and exposure to exchange rate differences, net	(7,364,078)
Balance as of December 31, 2022	57,301,416
– Recoveries, net (Note 22.1.3)	(20,248,877)
– Loss due to monetary position and exposure to exchange rate differences, net	15,133,032
Balance as of December 31, 2023	52,185,571

Changes in the allowance for doubtful accounts or disputed amounts under current trade accounts receivable are as follow:

Balance as of December 31, 2021	2,711,943
– Recoveries, net	(302,121)
– Applications	(1,018,920)
– Loss on monetary position	(1,195,294)
Balance as of December 31, 2022	195,608
– Increases	161,721
– Loss on monetary position	(201,987)
Balance as of December 31, 2023	155,342

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

13 – TRADE ACCOUNTS RECEIVABLE (Cont.)

Aging of trade accounts receivable at nominal value is as follows:

	12.31.2023	12.31.2022
To become due	6,550,953	11,162,018
Past due from 0 to 6 months	2,348,013	3,217,433
Past due for more than 6 months	92,322,875	104,574,560
Total	101,221,841	118,954,011

The maximum credit risk exposure at the date of issue of these Financial Statements is the book value of each type of trade accounts receivable and other accounts receivable. The values recorded for the Company's accounts receivable at nominal value are stated in the following currencies:

	12.31.2023	12.31.2022
Argentine Pesos	5,996,321	9,974,530
US Dollars (Note 3.3)	95,225,520	108,979,481
Total	101,221,841	118,954,011

14 – CASH AND CASH EQUIVALENTS

Cash and banks (1)	380,595	89,106
Mutual funds	4,105,494	4,832,078
Term deposits	-	1,401,344
Surety bonds	-	1,787,629
Total	4,486,089	8,110,157

(1) As of December 31, 2023, and 2022, it includes $ 84,291 and $ 2,289, respectively, denominated in foreign currency. See Note 3 to these financial statements.

15 – SHARE CAPITAL

The nominal share capital of $ 439,373,939, is represented by 179,264,584 book-entry Class A common shares of $ 1 par value each and entitled to 1 vote per share, 172,234,601 book-entry Class B common shares, of $1 par value each and entitled to 1 vote per share, and 87,874,754 book-entry Class C common shares, of $ 1 par value each and entitled to 1 vote per share. All issued shares are subscribed and paid-in. Class B shares are admitted for listing on Bolsas y Mercados Argentinos S.A. (“BYMA”). Class C shares are listed on BYMA.

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

15 – SHARE CAPITAL (Cont.)

15.1 - Restrictions on the transfer of the Company's shares

Gasinvest - TGN's controlling company- and Gasinvest´s shareholders, are restricted by the Bidding Terms and the Transfer Agreement to dispose of their interests in the Company and in Gasinvest, respectively. Consequently, Gasinvest may not reduce its shareholding and votes in the Company to less than 51% ("controlling interest") without ENARGAS previous approval. ENARGAS will approve the transfer of the controlling interest provided that (i) shares are transferred in whole but not in part, or the new buyer purchases all of the outstanding Class A shares of common stock and (ii) the quality of the gas transportation service rendered by the Company is not affected. Any transfer or other disposition as a result of which the interest of Gasinvest's original shareholders in said company's capital stock is reduced to less than 51%, including said shareholders' failure to subscribe for any capital increase in Gasinvest, can only be made with the ENARGAS' prior consent- The foregoing restrictions do not apply to transfers between parties belonging to the same economic group, as established in the Bidding Terms and Conditions.

15.2 – Restriction on distribution of profits

At the Shareholders' Meeting held on October 3, 2017 the Board was delegated the power to establish restrictions on payment of dividends.

15.3 – Unpaid cumulative dividends on preferred shares

The Company has no preferred shares.

15.4 – Conditions, circumstances or terms for release of restrictions on the distribution or retained earnings

At the Shareholders' Meeting held on October 3, 2017 the Board was delegated the power to establish restrictions on payment of dividends. Additionally, there are no losses to be absorbed by the Legal reserve.

16 - LOANS

The credit lines existing as of December 31, 2023 are described below:

a) With Itaú Unibanco S.A. Nassau Branch. Said loan was taken on October 19, 2020 and on September 16, 2022 an amendment was executed to renew said loan as from its due date, October 21, 2022. The terms and conditions of the renewal are described below:

- Amount: US$ 55,000,000.
- Term: twenty-four months.
- Amortization: 100% at maturity.
- Interest: quarterly.
- Rate: 1.5% p/a.
- Prepayment: total or partial at any time without any cost or penalty.
- Guarantee: first lien for the amount of US$ 56.5 million.

b) With Banco de Galicia y Buenos Aires for an amount of $ 1 billion, taken in October 2023, for a term of 120 days at a fixed rate, which was repaid on February 7, 2024;

c) With Itaú Unibanco S.A. Nassau Branch for an amount of US$ 436 thousand to pay for imports, taken in October 2023, for a term of 171 days at a fixed rate, with the same guarantee as the one referred to in item a);

d) With Itaú Unibanco S.A. Nassau Branch for an amount of US$ 343 thousand to pay for imports, taken in November 2023, for a term of 217 days at a fixed rate, with the same guarantee as the one referred to in item a); and

e) With Banco Macro BMA for an amount of $ 6 billion, taken in December 2023, for a term of 60 days at a fixed rate, which was repaid on February 8, 2024.

During this fiscal year the Company has paid interest for US$ 0.8 million and $ 823.1 million. The current balance as of December 31, 2023 amounts to 52,905,982.

The book value of loans does not differ significantly from their fair value.

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

16 – LOANS (Cont.)

16.1 – Changes in Loans

	12.31.2023	12.31.2022
Non-current:		
Balance at the beginning of fiscal year	30,165,174	-
Transfer from current	-	29,587,360
Transfer to current	(30,165,174)	-
Accrual of interest on Itaú Unibanco S.A. Nassau Branch loan	-	(160,524)
Exchange rate difference on Itaú Unibanco S.A. Nassau Branch loan	-	5,343,584
(Loss) on monetary position	-	(4,605,246)
Balance at the end of fiscal year	-	30,165,174
Current:		
Balance at the beginning of fiscal year	89,766	35,836,876
Taking of loan with Itaú Unibanco S.A. Nassau Branch	370,397	-
Accrual of interest on Itaú Unibanco S.A. Nassau Branch loan	538,276	628,617
Exchange rate difference on Itaú Unibanco S.A. Nassau Branch loan	45,281,369	10,910,266
Payment of interest on Itaú Unibanco S.A. Nassau Branch loan	(434,900)	(530,259)
Transfer to non-current	-	(29,587,360)
Transfer from non-current	30,165,174	-
Taking of local loans in pesos	10,338,853	-
Accrual of interest on local loans in pesos	1,628,915	72,969
Payment of principal on local loans in pesos	(2,000,000)	(1,188,864)
Payment of interest on local loans in pesos	(823,117)	(125,653)
Loss on monetary position	(32,248,751)	(15,926,826)
Balance at the end of fiscal year	52,905,982	89,766

17 – NOTES

On February 8, 2022, the Company has paid the full balance of the notes issued on August 10, 2020 for a par value amount of $ 1.5 billion.

17.1 – Changes in Notes

	12.31.2023	12.31.2022
Current:		
Balance at the beginning of fiscal year	-	2,626,309
Accrual of interest on Notes	-	98,262
Payment of interest on Notes	-	(209,419)
Payment of principal on Notes	-	(2,300,571)
Loss on monetary position	-	(214,581)
Balance at the end of fiscal year	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

18 – TAXES PAYABLE

	12.31.2023	12.31.2022
Turnover Tax	24,039	158,002
Tax withholdings and receipts from third parties	600,851	846,914
Total taxes payable	624,890	1,004,916

19 – OTHER DEBTS

Non-current		
Allowance for easements	371,401	530,178
Total other debts – Non-current	371,401	530,178
Current		
Allowance for easements	88,363	147,595
Key management personnel (Note 28)	192,540	265,733
Court fees and costs payable	5,595,174	69,310
Other debts and customer's guarantees	228,123	18,750
Total other debts - Current	6,104,200	501,388

20 - LEASES

Information on leases under which the Company acts as lessee is described below:

(i) Amounts accounted for in the balance sheet

	12.31.2023	12.31.2022
Right-of-use (1)		
Buildings – Offices	3,017,270	2,974,637
Lease debt (1)		
Current	345,750	421,708
Non-current	3,903,213	2,198,058

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

20 - LEASES (Cont.)

The Company's lease related liabilities classified according to their due dates are the following:

	12.31.2023	12.31.2022
To become due between 0 and 3 months	31,510	115,588
To become due between 3 months and 1 year	314,240	306,120
To become due between 1 and 2 years	280,405	69,783
To become due between 2 and 3 years	979,791	572,747
To become due between 3 and 4 years	440,722	251,312
To become due between 4 and 5 years	384,798	215,600
To become due in more than 5 years	1,817,497	1,088,616
Total	4,248,963	2,619,766

(ii) Amounts accounted for in the statement of comprehensive income

- Right-of-use depreciation	(376,758)	(199,980)
- Interest and exchange differences	(3,631,947)	(122,657)

(1) On September 13, 2022, the Company entered into a lease agreement in connection with corporate offices located in the City of Buenos Aires. Said agreement is for an initial term of 5 years as from September 15, 2022, having the Company the irrevocable right to opt for the extension of said lease, for a minimum term of five years on each occasion, until a maximum of fifteen years from the expiration of the initial term is reached. The Company anticipates that the total term of this lease will be fifteen years, and the discount rate at present value used for those lease payments is a 14.5% annual nominal rate.

21 – TRADE ACCOUNTS PAYABLE

	12.31.2023	12.31.2022
Non-current		
AES Argentina Generación S.A.	367,259	808,417
Total trade accounts payable – Non current	367,259	808,417
Current		
Suppliers – goods and services	4,544,884	1,203,880
Accounts payable with other related parties (Note 28)	5,708	91,915
AES Argentina Generación S.A.	144,492	228,280
Unbilled goods and services	9,239,126	8,163,940
Total trade accounts payable - Current	13,934,210	9,688,015

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

22 - CONTINGENCIES

Provision for labour, civil and administrative lawsuits	Current
Balance as of December 31, 2021	638,224
Recoveries, net	(178,471)
– Decreases (payments / uses)	(145,085)
– Loss on monetary position	(180,071)
Balance as of December 31, 2022	134,597
– Increases	276,968
– Decreases (payment / uses)	(23,793)
– Loss on monetary position	(191,315)
Balance as of December 31, 2023	196,457

22.1 – Legal matters

The Company is party to several legal proceedings and claims that have arisen in the ordinary course of its business. Although there can be no assurance as to the ultimate disposition of these matters due to their complexity and current status, it is the opinion of the Company's Board, based upon the estimates described in Note 4, that the expected outcome of these claims and legal actions, individually or in the aggregate, would not have a material effect on the Company’s financial position or results of operations in excess of the provisions recorded by the Company. However, the actual future outcome of these claims could differ from the estimates and assessments performed as of the date of issue of these Financial Statements. Following there is a summary of the most significant claims and legal actions, including those brought by and against TGN.

22 – CONTINGENCIES (Cont.)

22.1 – Legal matters (Cont.)

22.1.1 – Tax assessments related to payments to Note Holders

Since December 2004, TGN was engaged in a litigation with AFIP, pending before the National Tax Court ("TFN"). This controversy was the result of a Value Added Tax assessment made on the interest paid to the International Finance Corporation as a result of the notes issued by TGN in accordance with Law No. 23,576. On August 22, 2022, TGN received notice of the court judgment revoking the tax authority's assessment, and thereby confirming the Company's position. AFIP withdraw the appeal, except in respect of the determination of the legal costs imposed.

22.1.2 – Tax assessments related to useful lives for tax purposes

In late December 2005 TGN was notified of two resolutions whereby AFIP assessed Income Tax differences for 1999 to 2002 fiscal periods. The total amount claimed is $ 21.2 million, including interest at that date and a fine of 70% of the tax assessed. The tax authorities' claim is supported on the fact that all of the Company´s essential assets must be fully depreciated at the end of the License, considering its 45-year term, according to AFIP. In February 2006 TGN challenged said tax assessments by filing the pertinent appeals with the National Tax Court. On August 22, 2022, TGN received notice of the court judgment revoking the tax authority's assessment, and thereby confirming the Company's position. Said judgment has been appealed by AFIP.

22.1.3 – Pending judicial disputes with YPF

On April 20, 2009 TGN filed a legal action against YPF in order to (i) demand compliance with the transportation contract for export signed with YPF; and (ii) compel YPF to pay past-due invoices. The claim amounts to US$ 74.8 million (including subsequent extensions), based on the invoices issued by TGN for services rendered between January 2007 and December 2010, plus interest accrued as of each respective date, and interest to be accrued until amounts are actually paid by YPF.

In December 2010, TGN terminated the firm transportation contract for gas export with YPF, as a result of shipper's breach; in December 2012, TGN filed an action for damages claiming YPF's breach of contract, for an amount of US$ 142.15 million. Both cases have been joined and were handled together.

Upon pronouncement of judgments in first and second instance favourable to TGN, YPF filed an extraordinary appeal with the National Supreme Court of Justice.

22 – CONTINGENCIES (Cont.)

22.1 – Legal matters (Cont.)

22.1.3 – Pending judicial disputes with YPF (Cont.)

On February 3, 2023, the Company and YPF entered into a settlement agreement that put an end to the complaints, under which YPF agreed to pay TGN the amount of US$ 190.6 million –in Argentine pesos at the asked rate published by BNA- in four annual instalments payable each February 1 2024, 2025, 2026 and 2027.

The accounting effect under the statement of income has been allocated to "*Other income and expenses*" while the recovery of the provision to "*Recovery due to impairment of financial assets*" and the income from discount at present value to "*Net financial income*" in the statement of comprehensive income.

The accounting effect under the statement of shareholders' equity has been a decrease in non-current "*Trade accounts receivable*", due to the decrease in receivables net of the relevant allowance. Likewise, current and non-current "*Other accounts receivable*" experienced an increase, as a result of reflecting the instalments established under the agreement, net of their discount at present value.

22.1.4 – Pending judicial disputes with Chilean Distributor Metrogas

In April 2009, Metrogas filed a declaratory action against TGN to obtain a court statement on the inapplicability of the US$ denominated rate provided for in the gas transportation contract, if gas is not actually transported. In February 2023 the court rendered judgement dismissing the claim on the grounds that said claim should have been filed against the PEN (ENARGAS). The judgement is not final and may be appealed by Metrogas.

In September 2011 TGN filed a lawsuit (subsequently extended) for breach of contract, claiming an amount of US$ 114.5 million (plus interest and expenses) for transportation services billed and unpaid, from September 2009 up to and including April 2015. In November 2012, Metrogas filed the answer to the complaint requesting that the complaint be dismissed and that the producers that supplied it with gas be summoned as third parties; there was no counterclaim for damages. In April 2015 TGN terminated the firm gas transportation contract for export with Metrogas, due to repeated breaches on the part of shipper. In November 2015, TGN filed a claim against Metrogas for damages arising from the wrongful early termination of the transportation contract for US$ 113 million and requested that this claim be joined with the claim for unpaid invoices.

The complaints for breach of contract and damages have been joined. At present, having the production of evidence requested by the court been fully completed, the parties filed their pleas.

On August 4, 2022 TGN received notice of the first instance judgement allowing the complaints and acknowledging its right to collect (i) an amount to be determined by the court-appointed accounting expert on account of unpaid invoices, and (ii) the amount of US$ 135.32 million (in said currency or in pesos at the ask price) on account of loss of profit, plus interest thereon. Both parties have filed an appeal against said judgement, and therefore it is still pending.

23 - REVENUES

	12.31.2023	12.31.2022
Gas transportation service	90,530,658	117,874,498
Gas pipeline operation and maintenance and other services	8,906,329	9,623,187
Total revenues	99,436,987	127,497,685

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

24 – EXPENSES BY NATURE

Item	Cost of service	Selling expenses	Administrative expenses	Total as of 12.31.2023	Total as of 12.31.2022
Directors' fees	-	-	268,775	**268,775**	**278,118**
Supervisory Committee's fees	-	-	76,572	**76,572**	**78,830**
Fees for professional services	740,038	72,453	2,534,235	**3,346,726**	**2,056,511**
Salaries, wages and other personnel benefits	16,852,551	336,353	7,653,358	**24,842,262**	**21,641,231**
Social security contributions	3,389,669	51,635	1,745,899	**5,187,203**	**4,558,750**
Materials and spare parts	4,060,072	2,580	466,613	**4,529,265**	**4,501,344**
Third party services and supplies	1,510,978	3,671	86,091	**1,600,740**	**1,587,415**
Maintenance and repair of property, plant and equipment	22,819,344	100,851	474,693	**23,394,888**	**24,026,850**
Travel expenses	2,157,945	46,899	283,842	**2,488,686**	**2,156,408**
Freight and transportation	328,209	-	1,015	**329,224**	**344,276**
Post and telecommunication expenses	130,483	8,672	117,567	**256,722**	**278,557**
Insurance	1,357,259	135	77,538	**1,434,932**	**1,651,822**
Office supplies	320,070	564	284,882	**605,516**	**549,551**
Rentals	316,797	4,657	117,262	**438,716**	**362,730**
Easements	645,566	-	-	**645,566**	**632,049**
Taxes, rates and contributions	34,277	3,846,820	6,847,515	**10,728,612**	**10,653,557**
Property, plant and equipment depreciation	44,153,997	30,652	522,997	**44,707,646**	**71,851,390**
Lawsuits	-	-	276,968	**276,968**	**-**
Litigation expenses	-	-	3,860,338	**3,860,338**	**-**
Slow-moving and obsolete materials and spare parts	1,170,504	-	-	**1,170,504**	**-**
Other	244,086	1,789	345,225	**591,100**	**472,690**
Balance as of December 31, 2023	**100,231,845**	**4,507,731**	**26,041,385**	**130,780,961**	**-**
Balance as of December 31, 2022	**124,595,793**	**5,263,804**	**17,822,482**	**-**	**147,682,079**

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

25 – OTHER INCOME AND EXPENSES

	12.31.2023	12.31.2022
Income from commercial indemnities (Note 22.1.3)	59,924,070	154,436
Readjustment of compensation for damages [1]	(592,957)	(698,313)
Recovery of contingency allowance	-	178,471
Recovery of slow-moving and obsolete spare parts and materials allowance	-	41,227
Income from liquidation of TGN Series 01 Financial Trust (Note 29)	3,273,519	-
Other income and expenses	(646,428)	289,364
Total other income and expenses	61,958,204	(34,815)

[1] During the fiscal years ended December 31, 2023 and 2022, the Company has recognized losses for $ 593.0 and $ 698.3 million, respectively, as a result of adjusting the liabilities with AES Argentina Generación S.A., derived from the settlement agreement entered into in 2012 (subsequently amended in 2014). This loss has been the result of accounting said liability based on the “access and use charge” which experienced a 95% and 60% increase according to the rate charts in force as from the month of April 2023 and March 2022, respectively.

26 – NET FINANCIAL INCOME

	12.31.2023	12.31.2022
Other net financial income		
Foreign exchange gain, net	169,948,053	25,563,273
Income from changes in fair values	51,853,116	18,322,615
Loss from discount at present value (Note 22.1.3)	(16,599,832)	-
Other	84,401	136,699
Total other net financial income	205,285,738	44,022,587
Financial income		
Interest	3,354,341	3,279,568
Total financial income	3,354,341	3,279,568
Financial expenses		
Interest	(2,500,630)	(523,498)
Banking and financial fees, expenses and taxes	(89,197)	(273,456)
Total financial expenses	(2,589,827)	(796,954)
Loss on monetary position	(166,076,137)	(65,965,463)
Total net financial income (loss)	39,974,115	(19,460,262)

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

Free translation from the original in Spanish for publication in Argentina

27 – NET EARNINGS PER SHARE

Earnings per common share have been calculated by dividing the income for fiscal years 2023 and 2022, by the weighted average of outstanding common shares, which as at said dates totalled 439,373,939 shares. As of December 31, 2023 and 2022 there are neither notes nor other debt securities convertible into shares, for which reason no diluted earnings per share have been disclosed. Basic earnings per share are calculated by dividing profits attributable to the Company's equity holders by the weighted average number of common shares outstanding during the fiscal year. The Company has no preferred shares or debt convertible into shares, so the basic earnings per share are equal to the diluted earnings per share.

28 – RELATED PARTIES

Transactions with related parties are as follows:

	12.31.2023	12.31.2022
Controlling company		
Other net income and expenses		
Gasinvest S.A.	7,475	7,595
Total other net income and expenses	7,475	7,595
Recovery of expenses		
Gasinvest S.A.	10,701	6,527
Total recovery of expenses	10,701	6,527
Controlled company		
Capital contribution		
Gasoduco Vicuñas S.A.U.	3,887	-
Total capital contribution	3,887	-
Affiliated companies		
Revenues		
Comgas Andina S.A.	77,561	74,903
Companhia Operadora do Rio Grande do Sul	12,701	12,497
Total revenues	90,262	87,400
Recovery of expenses		
Comgas Andina S.A.	11,482	5,848
Companhia Operadora do Rio Grande do Sul	10,804	592
Total recovery of expenses	22,286	6,440

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

28 – RELATED PARTIES (Cont.)

	12.31.2023	12.31.2022
Revenues		
Litoral Gas S.A.	11,413,767	15,348,473
Ternium Argentina S.A.	1,596,985	2,147,791
Compañía General de Combustibles S.A.	438,035	381,300
Siderca S.A.	1,040,985	1,373,118
Transportadora de Gas del Mercosur S.A.	464,173	455,259
Tecpetrol S.A.	4,173,396	5,169,946
Gasoducto Gasandes Argentina S.A.	142,761	250,668
Total revenues	19,270,102	25,126,555
Financial income		
Transportadora de Gas del Mercosur S.A.	-	311
Total financial income	-	311
Other income and expenses		
Gasoducto Gasandes Argentina S.A.	6,368	-
Total other income and expenses	6,368	-
Recovery of expenses		
Gasinvest S.A.		-
Transportadora de Gas del Mercosur S.A.	145,779	84,183
Total recovery of expenses	145,779	84,183
Acquisition of materials and property, plant and equipment		
Siat S.A.	(2,199,038)	(388,001)
Siderca S.A.	-	(14,287)
Litoral Gas S.A.	(78,833)	-
Total acquisition of materials and property, plant and equipment	(2,277,871)	(402,288)
Key management personnel		
Board of Directors' fees	(268,775)	(278,118)
Supervisory Committee's fees	(76,572)	(78,830)

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

Free translation from the original in Spanish for publication in Argentina

28 – RELATED PARTIES (Cont.)

Balances with related parties are as follows:

Trade accounts receivable	12.31.2023	12.31.2022
Other related parties		
Transportadora de Gas del Mercosur S.A.	69,446	45,808
Compañía General de Combustibles S.A.	-	101,323
Litoral Gas S.A.	726,061	1,166,474
Ternium Argentina S.A.	102,880	168,475
Siderca S.A.	67,594	102,207
Tecpetrol S.A.	245,215	1,017,475
Gasoducto Gasandes Argentina S.A.	14,225	19,624
Total trade accounts receivable - other related parties	1,225,421	2,621,386
Accounts receivable – affiliated companies		
Comgas Andina S.A.	10,704	6,132
Companhia Operadora do Rio Grande do Sul	1,676	1,021
Total accounts receivable –affiliated companies	12,380	7,153
Other accounts receivable		
Assistance fee and recovery of expenses – controlling company		
Gasinvest S.A.	13,988	8,841
Total assistance fee and recovery of expenses – controlling company s	13,988	8,841
Other accounts receivable – affiliated companies		
Comgas Andina S.A.	10,185	5,845
Companhia Operadora do Rio Grande do Sul	18,154	10,846
Total other accounts receivable – affiliated companies	28,339	16,691
Other accounts receivable – related parties		
Transportadora de Gas del Mercosur S.A.	145,664	84,183
Total other accounts receivable – related parties	145,664	84,183
Other accounts receivable - Key Management Personnel		
Board of Directors and Supervisory Committee’s fees paid in advance	192,540	265,733
Total other accounts receivable - Key Management Personnel	192,540	265,733

Free translation from the original in Spanish for publication in Argentina

NOTES TO THE FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2023, PRESENTED ON A COMPARATIVE BASIS (in thousand pesos, except as otherwise expressly stated)

28 – RELATED PARTIES (Cont.)

Balances with related parties are as follows:

	12.31.2023	12.31.2022
Accounts payable		
Accounts payable with other related parties		
Siat S.A.	(5,708)	(91,915)
Total accounts payable with other related parties	(5,708)	(91,915)
Other debts		
Other debts - Key Management Personnel		
Provision for Directors and Supervisory Committee’s fees	(192,540)	(265,733)
Total other debts Key - Management Personnel	(192,540)	(265,733)

Senior management compensation

The Board of Directors compensation is determined by the Shareholders' Meeting for each fiscal year. The compensation policy for Company’s managers establishes a monthly, fixed basic compensation, and an additional variable amount, payable on an annual basis. While the fixed component is established according to the level of responsibility inherent to the position and market values, the variable component consists of an additional amount based on performance and achievement of the year’s objectives. The Company’s policy does not establish option or other plans for its personnel.

29 – FINANCIAL TRUSTS FOR EXPORT MARKET EXPANSION

On March 8, 2004, the Company (as trustor) and HSBC Bank Argentina S.A. (as trustee) entered into a Master Agreement for the creation of Financial Trusts for an amount of up to US$ 50 million and a term of 5 years (the "Program"), pursuant to ENARGAS Resolution 2,877 and Law N° 24,441. The Program envisages the possibility of creating Financial Trusts for the issuance of securities authorized or not for public offering, to finance the capacity expansion of the Company's gas pipeline system. The Program also establishes that, upon expiration of the trust, those expansion works will become the exclusive property of the Company, free from any charge or encumbrances. While the trust is in force, the Company shall be responsible for the operation and maintenance of those assets.

Under this Program, the Company´s Board authorized the creation of "TGN Series 01" Financial Trust, under which securities were issued for a nominal value of US$ 7.5 million, that were subscribed and paid-in on March 26, 2004, and applied to expand the transportation capacity by 303,000 m3/d contracted by Metrogas. On May 8, 2023, an agreement was entered into among TGN, HSBC Bank Argentina S.A. and Chilean distributor Metrogas to liquidate said trust. Consequently, the expanded transportation assets, the firm transportation for export agreement and the remaining liquidity amounting to US$ 880,000 and $ 1,153 million have been transferred to TGN in its capacity as Trustor.

30 – FINANCIAL TRUSTS FOR DOMESTIC MARKET EXPANSION CREATED BY FORMER NATIONAL ENERGY SECRETARIAT

Former Ministry of Federal Planning, Public Investment and Services (MPFIPyS) Resolution No. 185/04, adopted on the basis of Decree No. 180/04, created a Gas Trust Program organized by former National Energy Secretariat aimed at financing infrastructure works for transportation and distribution of natural gas. In April 2006 the National Congress enacted Law No. 26,095 vesting the National Executive Branch with the power to apply rate charges destined to finance those works.

Under said program and as instructed by the former National Energy Secretariat, in 2004 and 2006 expansion works were conducted which accounted for a capacity increase of 5.2 MMm3/d along the Northern gas pipeline and 2,337 MMm3/d on La Mora – Beazley section and 3,404 MMm3/d on Beazley – La Dormida section along Central West gas pipeline.

In September 2018 the former Ministry of Energy issued Resolution No. 15 providing, among other things, for the permanent discontinuation of expansion works under said program, the consolidation of trust assets created thereunder, the sale of residual assets and payment of outstanding amounts owed to TGN on account of technical management fees for those expansion works.

Free translation from the original in Spanish for publication in Argentina

31 – SUBSEQUENT EVENTS

As of the date of issue of these financial statements, the US dollar exchange rate published by Banco de la Nación Argentina amounts to 845 pesos per US dollar. See Note 3.3.1 to these financial statements, where the impact on the Company’s equity is described.

No events or circumstances have occurred subsequent to December 31, 2023 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 financial statements.

Free translation from the original in Spanish for publication in Argentina

OVERVIEW FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

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 Financial Statements for fiscal year ended December 31, 2023, is shown below, as well as relevant facts timely informed to the CNV.

I) ANALYSIS OF COMPREHENSIVE INCOME AND FINANCIAL POSITION

Comprehensive income for fiscal year:

(in million pesos)

	Fiscal year ended 12.31.					
	2023	***2022***	***Variation***	***2021***	***2020***	***2019***
Revenues						
Gas transportation service	*90,530.7*	*117,874.5*	*(27,343.8)*	*114,016.3*	*164,542.5*	*213,648.7*
Gas pipeline operation & maintenance and other services	*8,906.3*	*9,623.2*	*(716.9)*	*7,551.3*	*8,567.4*	*8,126.5*
Total revenues	***99,437.0***	***127,497.7***	***(28,060.7)***	***121,567.6***	***173,109.9***	***221,775.2***
Cost of service						
Operation and maintenance costs	*(56,077.8)*	*(54,032.4)*	*(2,045.4)*	*(52,059.6)*	*(42,997.0)*	*(54,773.2)*
Property, plant and equipment depreciation	*(44,154.0)*	*(70,563.4)*	*26,409.4*	*(72,801.2)*	*(66,350.4)*	*(69,136.2)*
Subtotal	***(100,231.8)***	***(124,595.8)***	***24,364.0***	***(124,860.8)***	***(109,347.4)***	***(123,909.4)***
Gross (loss) gain	***(794.8)***	***2,901.9***	***(3,696.7)***	***(3,293.2)***	***63,762.5***	***97,865.8***
Administrative and selling expenses	*(30,549.1)*	*(23,086.3)*	*(7,462.8)*	*(22,553.7)*	*(24,277.7)*	*(25,708.3)*
(Loss) gain before other net income and expenses	***(31,343.9)***	***(20,184.4)***	***(11,159.5)***	***(25,846.9)***	***39,484.8***	***72,157.5***
Other income and expenses	*61,958.2*	*(34.8)*	*61,993.0*	*133.9*	*1,698.7*	*2,581.3*
Recovery / (Charge) due to impairment of financial assets	*20,087.2*	*302.1*	*19,785.1*	*529.1*	*(2,747.9)*	*(575.2)*
Gain (loss) before financial income	***50,701.5***	***(19,917.1)***	***70,618.6***	***(25,183.9)***	***38,435.6***	***74,163.6***
Net financial income	*39,974.1*	*(19,460.3)*	*59,434.4*	*(15,182.4)*	*(5,071.6)*	*(5,316.7)*
Income from investments in affiliated and controlled companies	*250.5*	*284.5*	*(34.0)*	*199.0*	*137.3*	*282.4*
Income before income tax	***90,926.1***	***(39,092.9)***	***130,019.0***	***(40,167.3)***	***33,501.3***	***69,129.3***
Income tax	*(33,199.3)*	*16,752.7*	*(49,952.0)*	*(16,089.8)*	*(5,169.4)*	*(16,089.2)*
Gain (loss) for fiscal year	***57,726.8***	***(22,340.2)***	***80,067.0***	***(56,257.1)***	***28,331.9***	***53,040.1***
Currency conversion of affiliated companies' financial statements	*636.2*	*(57.9)*	*694.1*	*(300.5)*	*145.1*	*(66.6)*
Revaluation surplus	*(1,633.0)*	*(1,279.8)*	*(353.2)*	*(27,369.3)*	*(60,156.5)*	*(27,167.2)*
Other comprehensive (loss) income gain for fiscal year	***(996.8)***	***(1,337.7)***	***340.9***	***(27,669.8)***	***(60,011.4)***	***(27,233.8)***
Comprehensive gain (loss) for fiscal year	***56,730.0***	***(23,677.9)***	***80,407.9***	***(83,926.9)***	***(31,679.5)***	***25,806.3***
EBITDA (1)	***13,363.7***	***51,666.9***	***(38,303.2)***	***48,984.1***	***108,581.6***	***142,430.1***

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

Free translation from the original in Spanish for publication in Argentina

OVERVIEW FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

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

(in million pesos)

	12.31.2023	***12.31.2022***	***12.31.2021***	***12.31.2020***	***12.31.2019***
Total assets	*629,890*	*509,147*	*555,769*	*675,608*	*780,802*
Total liabilities	*177,261*	*113,248*	*136,191*	*172,103*	*245,620*
Shareholder's equity	*452,629*	*395,899*	*419,578*	*503,505*	*535,182*

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 $ 28,060.7 million between fiscal years ended December 31, 2023 and 2022 is due to:

i. $ 5,590.2 million increase in revenues from export transportation services and other revenues, as the rate for such services is denominated in United States dollars;

ii. $ 32,934 million decrease in revenues, as a result of the net effect between inflation acceleration and the 95% rate increase in force since April 29, 2023. (See Note 1.3.3 to the Company's financial statements for the fiscal year ended December 31, 2023); and

iii. $ 716.9 million decrease in revenues from "*Gas pipeline operation and maintenance and other services*".

Free translation from the original in Spanish for publication in Argentina

OVERVIEW FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

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

Cost of service

(in million Pesos)

Accounts	***Fiscal years ended 12.31.***					
	2023	***2022***	***Variation***	***2021***	***2020***	***2019***
Fees for professional services	*740.0*	*772.6*	*(32.6)*	*748.3*	*900.9*	*1,176.2*
Salaries, wages and other personnel benefits and social security contributions	*20,242.2*	*18,152.0*	*2,090.2*	*16,433.3*	*15,518.4*	*16,955.2*
Materials and spare parts	*4,060.1*	*4,436.6*	*(376.5)*	*5,473.3*	*4,325.8*	*6,513.7*
Maintenance and repair of property, plant and equipment and third-party services and supplies	*24,330.3*	*25,317.1*	*(986.8)*	*24,348.0*	*17,633.5*	*25,781.4*
Post, telecommunications, transportation, freight and travel expenses	*2,616.6*	*2,297.3*	*319.3*	*1,754.2*	*1,272.4*	*2,366.1*
Insurance	*1,357.3*	*1,570.1*	*(212.8)*	*1,830.1*	*1,724.3*	*1,231.0*
Rentals and office supplies	*636.9*	*536.9*	*100.0*	*526.9*	*512.3*	*685.7*
Easements	*645.6*	*632.2*	*13.4*	*521.9*	*425.4*	*453.1*
Taxes, rates and contributions	*34.3*	*78.5*	*(44.2)*	*43.9*	*43.0*	*54.5*
Property, plant and equipment depreciation	*44,154.0*	*70,563.4*	*(26,409.4)*	*72,801.2*	*66,350.4*	*69,136.2*
Slow-moving and obsolete materials and spare parts	*1,170.5*	*-*	*1,170.5*	*239.5*	*445.0*	*(946.7)*
Other	*244.0*	*239.1*	*4.9*	*140.2*	*196.0*	*503.0*
Total	***100,231.8***	***124,595.8***	***(24,364.0)***	***124,860.8***	***109,347.4***	***123,909.4***
% of Cost of service on revenues	***101%***	***98%***		***103%***	***63%***	***56%***

Accounts recording the most significant variations between both fiscal years have been as follows:

i. $ 6,964.3 million increase in *Salaries, wages and other personnel benefits and social security contributions* (which adjusted for inflation amounts to $ 2,090.2 million). Said variation is explained by salary increases due to inflation adjustment ($ 5,713.9 million), overtime and outsourced personnel ($ 526.4 million) and a higher headcount ($ 246.4 million), among others;

ii. $ 8,420.0 million increase in *Maintenance and repair of property, plant and equipment and third-party services and supplies* (which adjusted for inflation amounts to a $ 986.8 million decrease). Said variation is mainly due to higher costs associated with cleaning and clearing of facilities ($ 450.8 million), outsourced maintenance works ($ 1,015.2 million), layout works ($ 996.3 million), corrosion protection ($ 944.3 million), river crossings ($ 377.5 million), pipe inspections ($ 2,504.8 million), projects related to compression integrity and safety at compressor plants ($ 345.5 million), security and surveillance services ($ 402.3 million) and cost of projects related to client services ($ 421.2 million); and

iii. $ 3,210.8 million in *Property, plant and equipment depreciation* (which adjusted for inflation amounts to a $ 26,409.4 million decrease). Said variation is due to the end of the Northern pipeline useful life for accounting purposes.

Free translation from the original in Spanish for publication in Argentina

OVERVIEW FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

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

Administrative and selling expenses

(in million pesos)

Accounts	***Fiscal years ended 12.31.***					
	2023	***2022***	***Variation***	***2021***	***2020***	***2019***
Salaries, wages and other personnel benefits and social security contributions	*9,787.2*	*8,048.0*	*1,739.2*	*6,769.1*	*6,607.8*	*6,943.8*
Property, plant and equipment depreciation	*553.6*	*1,288.0*	*(734.4)*	*2,029.8*	*2,746.3*	*1,136.3*
Fees for professional services	*2,606.7*	*1,283.9*	*1,322.8*	*1,608.1*	*1,034.8*	*1,531.2*
Taxes, rates and contributions	*10,694.3*	*10,575.1*	*119.2*	*10,364.0*	*12,027.5*	*13,831.2*
Post, telecommunications, transportation, freight and travel expenses	*458.0*	*482.1*	*(24.1)*	*279.6*	*195.3*	*419.8*
Maintenance and repair of property, plant and equipment and third-party services and supplies	*665.3*	*297.4*	*367.9*	*487.7*	*387.7*	*517.2*
Rentals and office supplies	*407.4*	*375.6*	*31.8*	*356.3*	*343.5*	*515.4*
Lawsuits and litigation expenses	*4,137.3*	*-*	*4,137.3*	*-*	*100.6*	*6.9*
Supervisory Committee's fees	*76.6*	*78.8*	*(2.2)*	*83.1*	*83.8*	*95.0*
Board of Directors' fees	*268.8*	*278.1*	*(9.3)*	*291.2*	*299.0*	*353.4*
Materials and spare parts	*469.2*	*64.8*	*404.4*	*41.4*	*203.0*	*69.1*
Insurance	*77.7*	*81.6*	*(3.9)*	*90.9*	*103.7*	*120.5*
Other	*347.0*	*232.9*	*114.1*	*152.5*	*144.7*	*168.5*
Total	***30,549.1***	***23,086.3***	***7,462.8***	***22,553.7***	***24,277.7***	***25,708.3***
% of administrative and selling expenses on revenues	***31%***	***18%***		***18%***	***13%***	***11%***

Accounts recording the most relevant variations between both fiscal years have been as follows:

i. $ 3,573.9 million increase in *Salaries, wages and other personnel benefits and social security contributions* (which adjusted for inflation amounts to $ 1,739.2 million). Said variation is mainly explained by salary increases due to inflation adjustment ($ 3,082.4 million) and an increase in headcount ($ 154.2 million), among others;

ii. $ 1,103.9 million increase in *Fees for professional services* (which adjusted for inflation amounts to $ 1,322.8 million). Said variation is mainly due to higher costs associated with the relocation of the main offices ($ 578.4 million); and

iii. $ 1,657.4 million increase in *Lawsuits and litigation expenses* (which adjusted for inflation amounts to $ 4,137.3 million). Said variation is due to a provision for litigation expenses associated with the settlement agreement mentioned in Note 22.1.3 to the Company's financial statements as of December 31, 2023.

Free translation from the original in Spanish for publication in Argentina

OVERVIEW FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

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

Other income and expenses

(in million pesos)

Accounts	Fiscal years ended 12.31.					
	2023	2022	Variation	2021	2020	2019
Income from commercial compensations [(1)]	59,924.1	154.5	59,769.6	105.9	-	4.0
Income from liquidation of TGN Series 01 Financial Trust [(2)]	3,273.5	-	3,273.5	-	-	-
Readjustment of compensation for damages [(3)]	(593.0)	(698.2)	105.2	-	-	(1,143.1)
Various income and expenses	(646.4)	508.9	(1,155.3)	28.0	1,698.7	3,720.4
Total	**61,958.2**	**(34.8)**	**61,993.0**	**133.9**	**1,698.7**	**2,581.3**

Recovery / (Charge) due to impairment of financial assets

(in million pesos)

Accounts	Fiscal years ended 12.31.					
	2023	2022	Variation	2021	2020	2019
Recovery / (Charge) due to impairment of financial assets [(1)]	20,087.2	302.1	19,785.1	529.1	(2,747.9)	(575.2)
Total	**20,087.2**	**302.1**	**19,785.1**	**529.1**	**(2,747.9)**	**(575.2)**

(1) Positive charges recorded under *"Recovery / (Charge) due to impairment of financial assets"* and *"Income from commercial compensations"* derive from the settlement agreement entered into with YPF S.A. ("YPF") during the first quarter ended March 31, 2023 in connection with the legal actions described in Note 22.1.3 to the Company's financial statements as of December 31, 2023. Under said agreement executed on February 3, 2023, YPF agreed to pay TGN the amount of US$ 190.6 million – in Argentine pesos at the asked rate published by Banco de la Nación Argentina – in four annual instalments payable each February 1, 2024, 2025, 2026 and 2027. (See Note 22.1.3 to the Company's financial statements as of December 31, 2023).

(2) With respect to the financial trust for export market expansion referred to in Note 29 to the Company's financial statements as of December 31, 2023, it is worth mentioning that on May 8, 2023, an agreement was entered into among TGN, HSBC Bank Argentina S.A. and Chilean distributor Metrogas S.A., to liquidate "TGN Series 01 Financial Trust". Consequently, the expanded transportation assets, the firm transportation for export agreement and the remaining liquidity amounting to US$ 880,000 and $ 1,153 million have been transferred to TGN in its capacity as Trustor.

(3) During fiscal years ended December 31, 2023 and 2022, the Company has recognized losses for $ 593.0 and $ 698.2 million, respectively, as a result of adjusting the liability with AES Argentina Generación S.A., derived from the settlement agreement entered into in 2012 (subsequently amended in 2014). This loss has been the result of accounting said liability based on the "access and use charge" which experienced a 95% and 60% increase according to the rate charts in force as from April 2023 and March 2022, respectively.

Free translation from the original in Spanish for publication in Argentina

OVERVIEW FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

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

Net financial income

(in million pesos)

Accounts	Fiscal years ended 12.31.					
	2023	**2022**	**Variation**	**2021**	**2020**	**2019**
Other net financial income:						
Net exchange rate gain	*169,948.1*	*25,563.1*	*144,385.0*	*12,930.0*	*18,504.2*	*1,128.5*
Income due to changes in fair values	*51,853.1*	*18,322.6*	*33,530.5*	*9,769.2*	*4,069.8*	*5,415.7*
Income from derivative financial instruments	-	-	-	-	*(707.5)*	*5,241.9*
Loss from discount at present value	*(16,599.8)*	-	*(16,599.8)*	-	-	-
Other	*84.4*	*136.8*	*(52.4)*	*1,622.4*	*271.5*	*460.9*
Total other net financial income	***205,285.8***	***44,022.5***	***161,263.3***	***24,321.6***	***22,138.0***	***12,247.0***
Financial income:						
Interest	*3,354.3*	*3,279.4*	*74.9*	*5,480.2*	*2,214.7*	*2,138.4*
Total financial income	***3,354.3***	***3,279.4***	***74.9***	***5,480.2***	***2,214.7***	***2,138.4***
Financial expenses:						
Interest	*(2,500.6)*	*(523.5)*	*(1,977.1)*	*(6,015.5)*	*(10,911.1)*	*(10,141.6)*
Banking, financial and other fees, expenses and taxes	*(89.2)*	*(273.4)*	*184.2*	*(87.5)*	*(488.9)*	*(278.4)*
Total financial expenses	***(2,589.8)***	***(796.9)***	***(1,792.9)***	***(6,103.0)***	***(11,400.0)***	***(10,420.0)***
Loss on monetary position	***(166,076.2)***	***(65,965.3)***	***(100,110.9)***	***(38,881.1)***	***(18,024.3)***	***(9,282.1)***
Total net financial (loss) income	***39,974.1***	***(19,460.3)***	***59,434.4***	***(15,182.4)***	***(5,071.6)***	***(5,316.7)***

Net financial income for fiscal year ended December 31, 2023 showed a higher gain of $ 154,215.3 million (which adjusted for inflation amounts to $ 59,434.4 million), as compared to fiscal year ended December 31, 2022. Accounts with the most relevant variations between both fiscal years have been:

i. a higher gain of $ 129,371.8 million (which adjusted for inflation amounts to $ 144,385.0 million), on account of net exchange rate differences on US dollar denominated assets and liabilities;

ii. a lower gain of $ 538.5 million (which adjusted for inflation amounts to $ 1,902.2 million), associated with interest accrued during fiscal year;

iii. a higher gain of $ 29,480.3 million (which adjusted for inflation amounts to $ 33,530.5 million), due to changes in fair values accrued during fiscal year;

iv. a lower gain of $ 4,072.0 million (which adjusted for inflation amounts to $ 16,599.8 million), due to changes from discount at present value during fiscal year; and

v. a higher loss of $ 100,110.9 million on monetary position, due to: (i) the greater number of net monetary assets exposed to inflation held in this fiscal year as compared to previous fiscal year, and (ii) the increase in the Consumer Price Index published by the National Institute of Statistics and Census which amounted to 211.4% in this fiscal year as compared to the 94.8% increase during previous fiscal year.

Free translation from the original in Spanish for publication in Argentina

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

Income tax

Income tax for fiscal year ended December 31, 2023 reported a higher charge of $ 49,952.0 million as compared to previous fiscal year. Said variation is the result of a higher current tax charge of $ 48,144.5 million and a higher charge on account of deferred income tax of $ 1,807.5 million.

Other comprehensive income for fiscal year

"*Other comprehensive income for fiscal year"* reported a lower loss of $ 340.9 million mainly due to the fact that during the current fiscal year a gain on "*Currency translation of financial statements of affiliated companies"* of $ 636.2 million was recorded as compared to a loss of $ 57.9 million recorded in previous fiscal year and an impairment on "*Property, plant and equipment*" items for an amount of $ 1,633.0 million was recorded, as compared to the impairment for an amount of $ 1,279.8 million recorded in previous fiscal year. See Note 2.6 to the Company's financial statements for fiscal year ended December 31, 2023.

Free translation from the original in Spanish for publication in Argentina

OVERVIEW FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

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

Summary of statement of cash flows

(in million pesos)

	Fiscal years ended 12.31.				
	2023	***2022***	***2021***	***2020***	***2019***
Cash generated by operating activities	*(59,152.3)*	*67,624.3*	*52,383.1*	*55,207.0*	*50,110.2*
Income tax	*33,199.3*	*(16,752.8)*	*16,089.8*	*5,169.4*	*16,089.2*
Interest accrued on liabilities	*2,500.6*	*523.5*	*6,015.5*	*11,736.0*	*13,932.6*
Net cash flow (used in) generated by operating activities	***(23,452.4)***	***51,395.0***	***74,488.4***	***72,112.4***	***80,132.0***
Acquisition of property, plant and equipment	*(23,596.9)*	*(24,120.1)*	*(19,692.5)*	*(23,641.8)*	*(34,561.0)*
Investment in controlled company	*(3.9)*	-	-	-	-
Subscriptions, net of recovery of investments at amortized cost and investments at fair value (non-cash equivalents)	*82,410.6*	*19,623.4*	*16,307.8*	*(11,606.5)*	*74,712.0*
Principal and interest received from investments at amortized cost and investments at fair value	*1.5*	*18.7*	*61.0*	*127.4*	*252.3*
Net cash flow generated by (used in) investing activities	***58,811.3***	***(4,478.0)***	***(3,323.7)***	***(35,120.9)***	***40,403.3***
Taking of loan with Itaú Unibanco S.A. Nassau Branch	*370.4*	-	-	*42,063.1*	-
Taking of local loans in pesos	*10,338.9*	-	*328.8*	*69,797.7*	*8,089.1*
Payment of interest on Itaú Unibanco S.A. Nassau Branch loan	*(434.9)*	*(530.3)*	*(666.4)*	-	-
Issue of Notes	-	-	-	*15,723.3*	-
Payment of principal on Notes	-	*(2,300.7)*	*(6,609.9)*	-	-
Payment of interest on Notes	-	*(209.3)*	*(3,569.4)*	*(1,115.8)*	-
Repurchase of Notes	-	-	*(548.7)*	-	-
Payment of principal on Syndicated Loan	-	-	-	*(83,180.1)*	*(83,576.8)*
Payment of interest on Syndicated Loan	-	-	-	*(3,570.9)*	*(9,344.4)*
Payment of principal on local loans in pesos	*(2,000.0)*	*(1,189.0)*	*(3,621.4)*	*(65,689.3)*	-
Payment of interest on local loans in pesos	*(823.1)*	*(125.8)*	*(1,801.8)*	*(6,219.4)*	*(1,123.9)*
Lease payment	*(353.4)*	*(79.0)*	*(96.1)*	*(122.1)*	*(110.2)*
Payment of dividends in cash	-	-	-	-	*(48,195.0)*
Net cash flow generated by (used in) financing activities	***7,097.9***	***(4,434.1)***	***(16,584.9)***	***(32,313.5)***	***(134,261.2)***
Net Increase (decrease) in cash and cash equivalents	***42,456.8***	***42,482.9***	***54,579.8***	***4,678.0***	***(13,725.9)***
Cash and cash equivalents at the beginning of fiscal year	***8,110.0***	***17,529.1***	***28,219.4***	***26,473.1***	***44,910.0***
Financial loss (gain) generated by cash	***(46,080.7)***	***(51,902.0)***	***(65,270.1)***	***(2,931.7)***	***(4,711.0)***
Cash and cash equivalents at the end of fiscal year	***4,486.1***	***8,110.0***	***17,529.1***	***28,219.4***	***26,473.1***

Breakdown of cash and cash equivalents

(in million pesos)

Accounts	*Fiscal years ended 12.31.*				
	2023	***2022***	***2021***	***2020***	***2019***
Cash and banks [(1)]	*380.6*	*89.1*	*269.4*	*73.8*	*585.1*
Term deposits	-	*1,401.3*	-	*3,378.2*	*4,108.7*
Mutual funds	*4,105.5*	*4,832.1*	*8,253.2*	*12,415.4*	*21,779.3*
Surety bonds	-	*1,787.5*	*9,006.5*	*11,460.4*	-
T- bills in $	-	-	-	*891.6*	-
Cash and cash equivalents at the end of fiscal year	***4,486.1***	***8,110.0***	***17,529.1***	***28,219.4***	***26,473.1***

(1) As of December 31, 2023, and 2022 it includes $ 84.3 million and $ 2.3 million, respectively, denominated in foreign currency.

Free translation from the original in Spanish for publication in Argentina

OVERVIEW FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

II) COMPARATIVE BALANCE SHEETS AS OF DECEMBER 31, 2023, 2022, 2021, 2020 and 2019

(in million pesos)

Accounts	*As of 12.31*				
	2023	*2022*	*2021*	*2020*	*2019*
Non-current assets	*459,419*	*431,635*	*453,793*	*608,282*	*686,498*
Current assets	*170,471*	*77,513*	*101,976*	*67,326*	*94,304*
Total assets	***629,890***	***509,148***	***555,769***	***675,608***	***780,802***
Shareholders' equity	*452,629*	*395,898*	*419,578*	*503,505*	*535,182*
Non-current liabilities	*50,976*	*95,976*	*81,523*	*131,810*	*115,411*
Current liabilities	*126,285*	*17,274*	*54,668*	*40,293*	*130,209*
Subtotal liabilities	*177,261*	*113,250*	*136,191*	*172,103*	*245,620*
Total	***629,890***	***509,148***	***555,769***	***675,608***	***780,802***

III) COMPARATIVE COMPREHENSIVE INCOME FOR FISCAL YEARS ENDED DECEMBER 31, 2023, 2022, 2021, 2020 and 2019

(in million pesos)

Accounts	*As of 12.31*				
	2023	*2022*	*2021*	*2020*	*2019*
(Loss) gain before other net income and expenses	***(31,343.9)***	***(20,184.4)***	***(25,846.9)***	***39,484.8***	***72,157.5***
Other income and expenses	*61,958.2*	*(34.8)*	*133.9*	*1,698.7*	*2,581.3*
Recovery / (Charge) due to impairment of financial assets	*20,087.2*	*302.1*	*529.1*	*(2,747.9)*	*(575.2)*
Gain (loss) before financial income	***50,701.5***	***(19,917.1)***	***(25,183.9)***	***38,435.6***	***74,163.6***
Net financial gain (loss)	*39,974.1*	*(19,460.3)*	*(15,182.4)*	*(5,071.6)*	*(5,316.7)*
Income from investments in affiliated and controlled companies	*250.5*	*284.5*	*199.0*	*137.3*	*282.4*
Income (loss) before income tax	***90,926.1***	***(39,092.9)***	***(40,167.3)***	***33,501.3***	***69,129.3***
Income tax	*(33,199.3)*	*16,752.7*	*(16,089.8)*	*(5,169.4)*	*(16,089.2)*
Gain (loss) for fiscal year	***57,726.8***	***(22,340.2)***	***(56,257.1)***	***28,331.9***	***53,040.1***
Other comprehensive loss for fiscal year	*(996.8)*	*(1,337.7)*	*(27,669.8)*	*(60,011.4)*	*(27,233.8)*
Comprehensive gain (loss) for fiscal year	***56,730.0***	***(23,677.9)***	***(83,926.9)***	***(31,679.5)***	***25,806.3***

IV) COMPARATIVE STATISTICAL DATA FOR FISCAL YEARS ENDED DECEMBER 31, 2023, 2022, 2021, 2020 and 2019

Dispatched volumes in million m3:

By type of transportation

	As of 12.31.				
	2023	*2022*	*2021*	*2020*	*2019*
Firm	*12,570*	*12,701*	*12,701*	*12,661*	*14,092*
Interruptible & exchange and displacement	*11,971*	*12,456*	*12,650*	*10,839*	*10,976*
Total	***24,541***	***25,157***	***25,351***	***23,500***	***25,068***

Free translation from the original in Spanish for publication in Argentina

OVERVIEW FOR FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

IV) COMPARATIVE STATISTICAL DATA FOR FISCAL YEARS ENDED DECEMBER 31, 2023, 2022, 2021, 2020 and 2019 (Cont.)

By source

	As of 12.31.				
	2023	***2022***	***2021***	***2020***	***2019***
Northern Pipeline	*5,778*	*6,870*	*7,527*	*8,897*	*9,777*
Central West Pipeline	*13,901*	*14,201*	*11,351*	*9,765*	*11,415*
Final sections	*4,862*	*4,086*	*6,473*	*4,838*	*3,876*
Total	***24,541***	***25,157***	***25,351***	***23,500***	***25,068***

By destination

	As of 12.31.				
	2023	***2022***	***2021***	***2020***	***2019***
Domestic market	*22,740*	*23,246*	*24,620*	*22,648*	*23,909*
Export market	*1,801*	*1,911*	*731*	*852*	*1,159*
Total	***24,541***	***25,157***	***25,351***	***23,500***	***25,068***

V) COMPARATIVE RATIOS AS OF DECEMBER 31, 2023, 2022, 2021, 2020 and 2019

	As of 12.31.				
	2023	***2022***	***2021***	***2020***	***2019***
Liquidity (1)	*1.3499*	*4.4873*	*1.8654*	*1.6709*	*0.7242*
Solvency (2)	*2.5535*	*3.4958*	*3.0808*	*2.9256*	*2.1789*
Equity Immobility (3)	*0.7294*	*0.8478*	*0.8165*	*0.9003*	*0.8792*
Profitability (4)	*0.1360*	*(0.0548)*	*(0.1219)*	*0.0546*	*0.0971*

(1) Current assets / current liabilities
(2) Equity / total liabilities
(3) Non-current assets / total assets
(4) Income for the year /average shareholders' equity

VI) BUSINESS PROSPECTS FOR CURRENT FISCAL 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 Financial Statements as of December 31, 2023, in order to have a full picture of corporate matters.

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

Notes 1.2 and 1.3 to the Company's financial statements as of December 31, 2023 describe the effects that the Public Emergency Law No. 25,561 enacted in January 2002, had on the License as well as the different stages of 2017 comprehensive rate review renegotiation process.

Said notes describe the process that led to the 2022 Interim Agreement entered into among the Company, the National Ministry of Economy ("MECON") and the National Gas Regulatory Entity ("ENARGAS") that established a 60% interim transportation rate increase effective as of March 2022.

On April 24, 2023 the Company signed an addendum to the 2022 Interim Agreement with MECON and ENARGAS providing for a 95% rate increase. The Addendum was ratified and put into force by means of Decree No. 250/23 published on April 29, 2023, date on which the rate charts approved by means of ENARGAS Resolution No. 187/23 reflecting the rate increase foreseen in the Addendum became effective.

On December 18, 2023, the PEN pronounced the Necessity and Urgency Decree No. 55/23 whereby the PEN (i) declares the emergency in the energy sector until December 31, 2024, regarding the segments of generation, transportation and distribution of electric power under federal jurisdiction, and transportation and distribution of natural gas, (ii) instructs the Energy Secretariat within MECON to prepare, put in force and implement an action plan for the segments covered by the emergency in order to, among other things, assure the continued provision of the gas transportation and distribution utility service under technical and economic conditions that are suitable for both service providers and users, (iii) determines the commencement of the CRR process pursuant to article 42 of the Natural Gas Act, and establishes that the coming into force of the rate charts resulting from such process shall not be later than December 31, 2024, (iv) decrees the intervention of ENARGAS effective as of January 1, 2024 until the designation of the Board members resulting from a selection process to be carried out, (v) empowers the Energy Secretariat to designate the comptroller for the ENARGAS, and (vi) determines that the comptroller as such will have the power to run and administer the ENARGAS in accordance with the Natural Gas Act.

Thus, in line with said decree, the comptroller shall inform about compliance with the renegotiation processes provided under Decree No. 1020/20 and conduct the CRR. It is established that, until the CRR process is completed, interim rate increases and periodic adjustments may be approved, aimed at assuring the continued and normal provision of the utility service, which interim increases and adjustments will be on account of the final rates resulting from the rate review.

Accordingly, through Resolution No. 704/23, ENARGAS convened a new public hearing (No. 104) that took place on January 8, 2024, where gas transportation and distribution licensees submitted their interim rate adjustment proposals for 2024, and TGN submitted its proposal in respect of rates and allocation of transportation capacity for the reversal of Northern pipeline.

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

Subsequently, on February 29, 2024 another public hearing was held convened by the National Energy Secretariat through Resolution No. 8/24 in order to analyze: (i) the redetermination of the subsidy scheme in order to assure access to basic and essential gas and electricity service, (ii) the impact of subsidies on the seasonal price of electricity ("PEST") in the wholesale electric market, and on the price of gas at the point of entry to the transportation system ("PIST"), and (iii) the readjustment of the social gas cylinder subsidy scheme.

Meanwhile, on February 9, 2024, ENARGAS published Resolution No. 42/24 which (i) declared the validity of public hearing No. 104, (ii) announced that the new interim transportation and distribution rates will come into force within 30 administrative business days from said publication, (iii) informed that a mechanism for monthly rate updates is under study and will be announced within 90 administrative business days from said publication, and (iv) informed that the criteria for rate establishment and capacity allocation for the reversal of the Northern pipeline will be established at the time of the Five-Year Rate Review set forth under Decree No. 55/23.

Finally, worth mentioning is the fact that the Company operates within an uncertain economic context where main variables have experienced and continue to experience a strong volatility. (See Note 1.4 to the financial statements as of December 31, 2023).

The Company's Board of Directors 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, March 6, 2024

Pablo Lozada
Regular Statutory Auditor

Emilio Daneri Conte-Grand
President

Independent auditor's report

To the Shareholders, President and Directors of
Transportadora de Gas del Norte S.A.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Transportadora de Gas del Norte S.A. (the Company) which comprise the statement of financial position as at December 31,2023, and the statements of comprehensive income, changes in equity, and cash flows for the year then ended, and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31,2023, its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standars.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in Argentina. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Price Waterhouse & Co. S.R.L., Bouchard 557, 8th floor, C1106ABG - City of Buenos Aires
T: +(54.11) 4850.0000, www.pwc.com/ar

Key audit matter	*How our audit addressed the key audit matter*
Revaluation of Property, plant and equipment As mentioned in Note 2.6 of the Financial Statements, at December 31, 2023, the Company's Property, plant, and equipment amounts to $296,387,431 million, accounting for 47% of total assets, measured using the revaluation model set forth in the International Accounting Standard 16. Revaluations should be carried out regularly, so that the carrying amount of an asset does not differ materially from its fair value at the date of each measurement; which may lead to the recognition of a further revaluation or impairment. As described in Note 2.6, for the revaluation of property, plant and equipment, the Company uses a discounted cash flow model based on estimates in connection with the future performance of certain variables such as the firm transportation capacity hired and transportation volumes sold under interruptible services and exchange and displacement services; gas transportation rates; operation and maintenance expenses; mandatory investments agreed with the National Gas Regulatory Entity (ENARGAS); weighted discount rate; and macroeconomic variables (inflation rate, devaluation rate, etc.). The Company estimates that any sensitivity analysis involving relevant modifications to the above-mentioned variables could result in significant changes. The Company entrusts such valuation to independent external experts. This is a key audit matter as it involves the exercise of critical judgment and material assumptions made by the Company's Board, which are subject to uncertainty and future events. Moreover, it led to a high degree of judgment and effort by the auditor when performing the procedures to assess the cash flow projections made by the Company's Management and to test the significant assumptions.	The audit procedures performed relating to this key audit matter included, among others: ● Understand the policies, processes, methods, and premises used by the Company to determine the fair value of the property, plant and equipment. ● Verify the fair value estimated by the Company through a methodological review of the discounted cash flow model. Identify and test the significant assumptions used for the valuation, including the adjustment of future rates, the discount rate, and the estimated future macroeconomic variables such as inflation and exchange rates; and test the integrity, accuracy, and relevance of the underlying data used. The significant assumptions were compared with available data on economic trends. ● Evaluate the competence and objectivity of the expert hired by the Company, including its professional qualifications and expertise. ● Verify the mathematical accuracy of the calculations. ● Assess the disclosures included in the Financial Statements. ● Our in-house experts are in charge of assessing the methodology, the discount rate, and the estimated future macroeconomic variables used for cash flows.

Other information

The other information comprises the Annual report and the Informative review. Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Board of Directors and of Audit Committee for the financial statements

Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Board of Directors.
- Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

+

Report on other legal and regulatory requirements

In compliance with the regulations in force, we report that:

a) the financial statements of Transportadora de Gas del Norte S.A. are transcribed into the "Inventory and Balance Sheet" book and, as regards those matters that are within our competence, they are in compliance with the provisions of the General Companies Law and the relevant resolutions of the National Securities Commission;

b) the financial statements of Transportadora de Gas del Norte S.A. arise from accounting records kept in all formal respects in conformity with legal provisions, which maintain the security and integrity conditions on the basis of which they were authorized by the National Securities Commission;

c) at December 31, 2023, the debt of Transportadora de Gas del Norte S.A. accrued in favor of the Argentine Integrated Social Security System, as shown by the Company's accounting records, amounted to $555,640,804, none of which was claimable at that date;

d) as required by Section 21, Subsection b), Chapter III, Part VI, Title II of the National Securities Commission regulations, we report that total fees for auditing and related services billed to Transportadora de Gas del Norte S.A. during the fiscal year ended December 31, 2023 account for:

d.1) 84% of the total fees for services billed to Transportadora de Gas del Norte S.A. for all items during that fiscal year.
d.2) 87% of the total fees for auditing and related services billed to Transportadora de Gas del Norte S.A., its parent company, subsidiaries, and related companies during that year.

d.3) 68% of the total fees for services billed to Transportadora de Gas del Norte S.A., its parent company, subsidiaries, and related companies for all items during that year.

e) we have applied the money laundering abatement and anti-terrorist financing procedures for Transportadora de Gas del Norte S.A. comprised in the professional standards issued by the Professional Council in Economic Sciences for the City of Buenos Aires.

Autonomous City of Buenos Aires, March 6, 2024.

PRICE WATERHOUSE & CO.
S.R.L.

Dr. Fernando A. Rodríguez
Partner

Free translation from the original in Spanish for publication in Argentina

REPORT FROM THE SUPERVISORY COMMITTEE

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

Report from the Supervisory Committee on the Financial Statements and Board's Annual Report

Opinion

In accordance with the provisions of Section 294, Subsection 5 of the Argentine General Company Law, we have reviewed the enclosed Financial Statements of Transportadora de Gas del Norte S.A. (hereinafter, the "Company" or "TGN"), which comprise the Balance Sheet, Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity and Statement of Cash Flows for the year ended as of December 31, 2023, and supplemental Notes and Annexes, the Inventory and Annual Report, as well its Annex containing the Report on the Code of Corporate Governance.

Balances and other information for fiscal year 2022 and interim periods are an integral part of the aforementioned Financial Statements and therefore should be considered in relation with those Financial Statements.

In our opinion, the Financial Statements as of December 31, 2023, as discussed and approved on the date hereof by the Company's Board, present fairly, in all material respects, the Company's financial position, comprehensive income and cash flows for fiscal year ended as of December 31, 2023, in conformity with Argentine professional accounting standards and reflect all material facts and circumstances that have come to our knowledge.

Basis for our Opinion

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 applicable auditing standards and that the consistency of significant information contained in those statements is verified against the information about corporate decisions set forth in minutes, including the consistency of those decisions with the Law and the Company's Bylaws insofar as formal and documentary aspects are concerned. Our responsibility pursuant to said standards is described below under *Supervisory Committee's Responsibility*.

To carry out such work, we have also considered the review of the Financial Statements as of December 31, 2023 conducted by independent auditors and the Audit Report issued by independent auditors and signed by Fernando A. Rodríguez (CPA), Partner of Price Waterhouse & Co. S.R.L., dated March 6, 2024, issued in compliance with applicable auditing standards in Argentina. Said standards require compliance with ethical requirements, and that an audit be planned and conducted so as to obtain a reasonable assurance that the financial statements are free from material mistakes. Our review included the verification of the work planning, nature, scope, and timeliness of the procedures followed and the results of the audit 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.

The Board´s Annual Report for fiscal year ended December 31, 2023, contains the information required by Section 66 of the Argentine General Company Law, with the assertions related to the economic context in which the Company operated, the Company´s management and subsequent events included in that document, being the sole responsibility of the Company´s Board. Insofar as matters within our competence, accounting figures included in said document are derived from the Company´s accounting records and related documentation. In addition, we have reviewed the Annex - Report on the Code of Corporate Governance - prepared by the Board of Directors, and we have no material remarks to make.

We expressly state that we are independent from the Company, and have complied with all other ethical requirements in conformity with the Code of Ethics of the Professional Council in Economic Sciences in the City of Buenos Aires, and Technical Resolutions (RT) No. 15 and 37 of the Argentine Federation of Professional Councils in Economic Sciences (FACPCE).

We believe that our audit and the Audit Report issued by independent auditors provide a reasonable basis for our opinion.

Information enclosed to the Financial Statements ("other information")

The Company's Board is responsible for the other information, which comprises the overview. Our opinion on the Financial Statements and Annual Report does not cover the other information, and therefore, we have no conclusion to make.

As for our review of the financial statements and controls conducted on the annual report, our responsibility is to read the other information, and in doing so, determine whether a substantial inconsistency exists between the other information and the financial statements or annual report, or if it appears to be a significant mistake in the other information. If, based on our audit, we believe that the other information contains a significant mistake, we are required to report it. We have nothing to report about it.

Management's Responsibility

The preparation and presentation of the Financial Statements 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 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.

In preparing the Financial Statements, the Management is responsible for determining the Company's ability to continue as a going concern, by reviewing, where applicable, matters associated therewith and by using the accounting principle of going concern, except where the

Management intended to liquidate the Company's affairs or cease its operation, or else if there were no other realistic alternative for the Company to continue its existence.

In respect of the Annual Report, the managers are responsible for complying with the Argentine General Company Law and provisions laid down by supervisory entities insofar as its content is concerned.

Supervisory Committee's Responsibility

Our purpose is to obtain a reasonable assurance that the Financial Statements are free from significant mistakes caused by fraud or error, and that the Annual Report is in compliance with legal and regulatory provisions, and to issue a report as Supervisory Committee containing our opinion. Reasonable assurance means a high degree of assurance, but does not guarantee that an audit conducted in conformity with FACPCE RT No. 37 will always detect a significant mistake. Mistakes may be due to fraud or error, and are considered significant if, individually or in aggregate, can reasonably be expected to impact on economic decisions made by users relying on the Financial Statements and Annual Report insofar issues within our professional scope.

As part of our review of the Financial Statements, we apply our professional judgment by adopting auditing standards in accordance with FACPCE RT No. 37, and exercise professional scepticism during our review.

Also:

a) We identify and assess the risk of significant mistakes in the Financial Statements due to fraud or error, design and apply procedures to respond to said risks, and obtain sufficient and adequate facts in order to support our opinion.

b) We acquire knowledge about the internal control system that is relevant for the review so as to design procedures that are appropriate under the circumstances, and not for the purpose of expressing an opinion about the effectiveness of the Company's internal control system.

c) We determine whether the accounting policies applied are appropriate, and whether accounting estimates and relevant information furnished by the Company's Management are reasonable.

d) We conclude about whether the use by the Company's Management of the accounting principle of going concern is appropriate, and based on the facts obtained, we conclude whether or not there is significant uncertainty about facts or circumstances that might raise significant doubts about the Company's ability to continue existing as a going concern. If we conclude that there is a significant uncertainty, we are required in our report to call attention to the information disclosed in the Financial Statements or the Annual Report, or if said disclosures are not adequate, we are required to express a modified opinion. Our conclusions are based on facts obtained until the date of issue of our Supervisory Committee's report. However, future facts or circumstances may cause the Company to stop being a going concern.

e) We assess the general presentation, structure and content of the Financial Statements, including the disclosed information, and whether the Financial Statements reflect the transactions and underlying facts so as to achieve a fair presentation.

f) We engage with the Company's Management with respect to, among other issues, how we plan and implement our procedures and significant findings during our review as parties responsible for supervising the Company, as well regarding any significant internal control deficiency identified in the course of our review.

We also provide the Company's Management with a statement confirming that we have complied with applicable ethical requirements in relation with our independence.

Report on compliance with applicable regulations

a) The Financial Statements of Transportadora de Gas del Norte S.A. are recorded in the "Inventory and Balance Sheet" book and are in compliance with the provisions of the Argentine General Company Law and pertinent resolutions of the National Securities Commission. Accounting books and records are kept, in all formal respects, in accordance with applicable legislation, and have been approved by the CNV as they provide for a reasonable basis of assurance and integrity, except that they are pending to be signed.

b) We have complied with the requirements of Section 294 of the Argentine General Company Law, having regularly participated in Board and Audit Committee´s meetings and having exercised, where relevant, the powers vested on us by said piece of legislation and the Company´s Bylaws.

c) As required by the National Securities Commission regulations (restated in 2013), we have reviewed the Audit Report issued by the independent auditors, from which it is derived that:

i) The accounting policies applied to prepare the Financial Statements as of December 31, 2023 are in accordance with applicable professional accounting standards; and
ii) The independent auditors have conducted their audit applying auditing standards established by the FACPCE, which call for objectivity and independence.

d) We have applied the anti-money laundering and counter-terrorist financing procedures set forth in the relevant professional standards issued by the Professional Council in Economic Sciences in the City of Buenos Aires.

City of Buenos Aires, March 6, 2024.

By the Supervisory Committee

Dr. Pablo Lozada
Regular Statutory Auditor