

ENEL-EMGESA INCREASED NET INCOME BY 8.7% DURING Q1 2021

- At the end of the first quarter, Enel-Emgesa remained the leading power generation company with respect to net installed capacity, with a 20% share in the National Interconnected System (SIN).
- Enel-Emgesa ranked third generator of the system, with a share of 18.6%.
- In the first quarter of 2021, Enel-Emgesa was the second largest energy trader in the free clients market in the country with a 17% share and a portfolio of more than 485 clients in the national territory.

Bogota, April 29, 2021

Financial Results Q1 2021

	Q1 2021	Q1 2020	YoY %
<i>Millions of Pesos (COP)</i>			
REVENUE	1,032,847	1,070,137	-3.5%
EBITDA	642,005	652,205	-1.6%
EBIT	581,724	590,015	-1.4%
NET INCOME	393,801	362,298	+8.7%
NET FINANCIAL DEBT ⁽¹⁾	1,747,287	1,838,146 ⁽²⁾	-4.9%
INVESTMENTS	36,322	39,814	-8.8%

⁽¹⁾ Short-term financial debt + Long-term financial debt - Cash and other financial assets

⁽²⁾ Figures as of December 31, 2020

Lucio Rubio Díaz, General Manager of Enel in Colombia, commented: *"The 3,503 MW of net installed capacity allows us to continue being the main power generation company in terms of capacity, which reflects our contribution to the reliability and stability of the National Interconnected System. Our investment approach focuses on modernizing our production centers environmental performance and the optimal management of the generation portfolio within the national system"*.

- As of March 2021, Enel-Emgesa's **contribution margin** shows a slight YoY decrease of 1.4%. This change is due to the fact that the first quarter of 2020 closed with extraordinary results, associated with very high spot prices due to the effect of the drought, which were taken advantage of thanks to the Company's strategy and reservoir management, which recorded levels above the historical average. On the contrary, the first quarter of 2021 was characterized by low spot prices due to the high hydrology caused by the presence of the "La Niña" phenomenon.
- Enel-Emgesa's **revenue** had a YoY decrease of 3.5%, supported by:
 - High hydrology throughout the system during the first quarter of 2021, which is reflected in lower energy prices in the spot market (accumulated in the first quarter of 2021: \$203/kwh, compared to the first quarter of 2020: \$ 359/kwh) .
 - Lower energy demand compared to the same period in 2020, which presents a slow recovery dynamics in a prevailing pandemic scenario.
 - A decrease in Auxiliary Frequency Regulation Services that were higher in the first quarter of 2020 as a consequence of market conditions.

The decrease in revenue was offset by:

- Higher sales prices in contracts in the different markets, leveraged on a successful commercial strategy in the management of Enel-Emgesa's energy portfolio.
- Lower fuel costs due to lower generation of thermal power plants based on high hydrological meteorological conditions.
- Income from the sale of carbon credits, a market Enel-Emgesa entered last year, with the certification of several power generation plants.

On the other hand, **fixed costs** increased mainly as a result of higher costs in insurance policies. This increase is due to the tightening of the insurance market amid the pandemic, coupled with a higher loss ratio.

EBITDA registered a YoY decrease of 1.6%, as a consequence of the above.

Additionally, **EBIT** closed with a decrease of 1.4%, in line with the behavior of the EBITDA, and a growth in depreciation expenses due to the entry into operation of some fixed assets of the Termozipa Power Plant.

In turn, **net income** registered a YoY increase, mainly due to:

- Lower financial expenses as a result of a lower YoY average debt balance, in addition to a lower Consumer Price Index (CPI), to which 73% of total debt is indexed.
- A 1% reduction in the effective income tax rate in accordance with the provisions of the National Government's Economic Growth Law.

Net financial debt had a YoY decrease, as a result of the maturity of the Global international bond on January 21 for COP 736,737 million, which was mostly covered with internal cash generation and COP 300 billion with short-term debt.

During the first quarter of 2021, **investments** reached a total of COP 36,322 million, works to improve Termozipa's environmental performance and on the modernization and recovery of equipment and infrastructure in the Bogotá River Power Plants.

Operating Results Q1 2021

	Q1 2021	Q1 2020	YoY %
<i>GWh(*)</i>			
TOTAL GENERATION COLOMBIA	17,839	18,100	-1.4%
ENEL- EMGESA GENERATION	3,283	3,524	-6.8%
CONTRACT SALES	3,260	3,305	-1.4%
SPOT MARKET SALES	838	878	-4.5%
PLANT AVAILABILITY	88.4%	91.5%	-3.1%

(*) Estimated figures

As of the end of the first quarter of 2021, Enel-Emgesa remained the leading power generation company with respect to net installed capacity, with a total of 3,503 MW, which represents a 20% share in the National Interconnected System (SIN).

In addition, Enel-Emgesa ranked third generator of the system with a share of 18.6%. Energy generation by Enel-Emgesa registered a YoY decrease as a result of the contraction in energy demand.

Furthermore, Enel-Emgesa's **total energy production** was distributed as follows in terms of the share of each of the generation sources:

- 97.1% hydroelectric: +6.1 pp more than the previous year, mainly explained by the high hydrology that has generated growth in reservoirs throughout the country
- 2.9% thermal: -6.1 pp less than the same period of 2020, given that thermal generation was not required due to these hydrological conditions.

Enel-Emgesa, sold 17% of the energy required by free customers in the country, serving a portfolio of more than 485 customers nationwide.

In the gas commercialization market, Enel-Emgesa continues to manage a client portfolio that represents 3% of the free gas market in the country.

Dividends:

During the first quarter of 2021, Enel-Emgesa paid COP \$204,957 million in dividends to its shareholders.

	Q1 2021	Q1 2020
<i>Figures in Millions of pesos</i>		
Current assets	905,171	992,540
Non-current assets	8,255,203	8,274,100
Current liabilities	2,391,807	2,650,052
Non-current liabilities	2,380,861	2,381,990
Equity	4,387,707	4,234,598
Income Statement		
Revenue	1,032,847	1,070,137
Costs	335,131	362,394
Contribution margin	697,716	707,744
Earnings before interests and taxes (EBIT)	581,724	590,015
Earnings before taxes (EBT)	550,017	530,988
Net income	393,801	362,298