



COMUNICADO DE PRENSA

Enel Colombia S.A E.S.P

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ENEL COLOMBIA: THE MATERIALIZATION OF ONE OF THE LARGEST ASSET-BASED MERGERS IN COLOMBIA

Bogota, May 19, 2022

On March 1, 2022, the merger by absorption of Emgesa S.A. E.S.P., Codensa S.A. E.S.P., Enel Green Power Colombia S.A.S. E.S.P. and Essa2 SpA was completed, giving birth to Enel Colombia, a company with a strengthened leadership position and presence in four countries: Colombia, Panama, Guatemala and Costa Rica.

The new company participates in the entire energy chain and its results are presented in the following operating segments: **Generation**, through the Enel Green Power & Thermal Generation business line, which focuses on the development and management of the hydro, solar, wind and thermal energy portfolio; and **Distribution**, focused on the development, modernization and technological transformation of distribution networks, which also includes the Enel X business line, engaged in the portfolio of products and services providing solutions to cities, industries and homes.

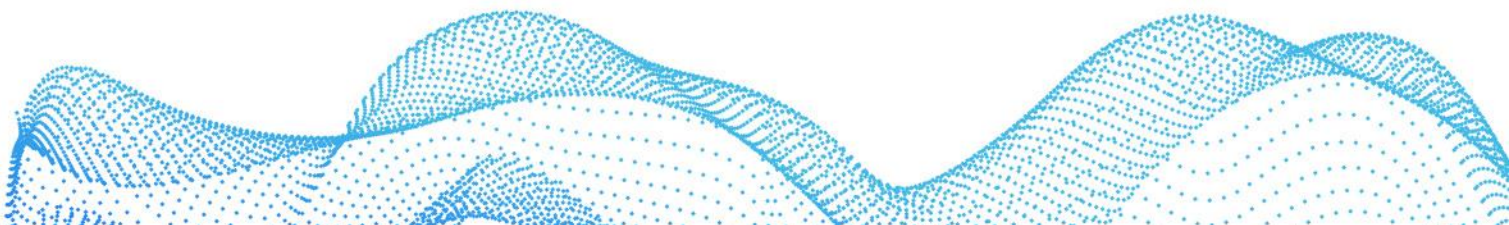
It is worth noting that the Company's results for the first quarter of 2022 explained below correspond to the Consolidated financial statements, which include Enel Colombia S.A. ESP and its subsidiaries in Colombia and Central America.

The results:

- Include the performance of former Emgesa, the absorbing company, during the first quarter, which incorporates the results of its direct subsidiary Sociedad Portuaria Central Cartagena,
- In March, incorporate the results of Distribution (formerly Codensa), Enel Green Power (formerly EGP Colombia S.A.S.) and the companies in Costa Rica, Panama and Guatemala.

The accumulated January and February results of Codensa, EGP Colombia and ESSA2 were recorded in equity.

The information for 2021 corresponds to the Consolidated Financial Statements of Emgesa. Therefore, there are significant variations in the comparative figures of the two periods analyzed.





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Financial Results 1Q2022

	1Q 2022**	1Q 2021*	YoY %
Millions of Pesos (COP)			
REVENUE	1,971,141	1,032,851	+90.8%
CONTRIBUTION MARGIN	1,232,997	698,095	+76.6%
EBITDA	1,110,458	642,317	+72.9%
EBIT	979,824	581,817	+68.4%
NET INCOME	593,756	393,801	+50.8%
NET FINANCIAL DEBT ⁽¹⁾	3,710,837	2,149,816 ⁽²⁾	+72.6%
INVESTMENTS	102,620	36,322	+182.5%

* 1Q 2021 corresponds to Emgesa's consolidated results before the merger (January to March 2021).

** 1Q 2022 corresponds to the results for three months (January-March) of the generation business and one month (March) of the distribution business (Codensa), Enel Green Power Colombia and the Central American subsidiaries.

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

(2) Figure as of December 2021.

Lucio Rubio Díaz, General Manager of Enel Colombia, said: *"The financial results for the first quarter of the year reflect the positive impact of the merger of the Colombian and Central American assets and the benefits it brings to our stakeholders. In addition to approving the historic payment of COP \$3.48 trillion in dividends to our shareholders, the integration of Enel Green Power will allow us to accelerate our commitment to decarbonization and the energy transition, contributing to a more reliable, secure, clean and efficient energy matrix in four countries in the region."*

During the first quarter of 2022, Enel Colombia achieved a contribution margin of COP \$1.23 trillion, as a result of the positive dynamics of the Company's businesses.

The Generation line in Colombia contributed COP \$871.517 billion, mainly explained by:

- Higher contract prices, coupled with higher sales volume, especially in the deregulated market, due to the recovery of domestic demand.
- Higher margin in the spot market due to a better price, as well as a greater amount of energy sold due to higher generation, which was due to a greater hydrology occurring in most of Enel Colombia's basins during the first quarter of the year.
- The extraordinary income of more than COP \$20.6 billion from the sale of carbon credits obtained after the certification of some of the hydropower plants.



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On the other hand, in March, the Distribution business contributed COP \$295.518 billion to the margin, mainly explained by:

- Higher revenues in the distribution charge due to the incorporation of new assets to the regulatory base, derived from the Company's investment plan.
- Recovery of energy demand in the area of influence, particularly in the industrial segment. By the end of March 2022, this segment showed an accumulated increase of 3.8% for the year.
- Higher margin of value-added products due to the entry into operation of the five charging yards for electric buses of the Integrated Public Transport System (SITP) and the income recognition for the development of the sixth station, which is under construction, compared to the same period of the previous year, when only two were in operation.
- Higher revenues in billing for the sanitation service due to the entry of new operators after the first quarter of 2021.

In addition, the Central American subsidiaries contributed COP \$65.961 billion to the contribution margin during March, derived from the sale of energy to distributors, large customers and in the energy market.

In turn, **fixed costs**, which amounted to COP \$122.539 billion, reflect the increase of personnel expenses due to the rise of the Consumer Price Index (CPI) in the previous year and the increase in the minimum wage, as well as the inclusion of personnel expenses and other costs corresponding to the Distribution and Generation segments in March, as a result of the merger.

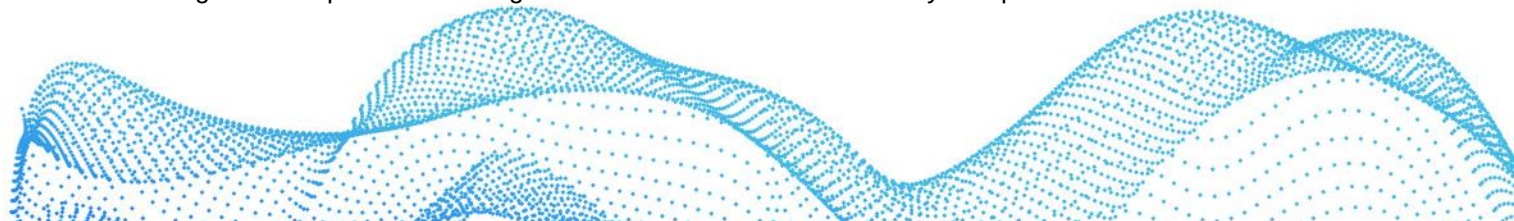
Thus, at the end of the first quarter, Enel Colombia generated an **EBITDA** of COP \$1.11 trillion, showing a 73% YoY growth.

EBIT amounted to COP \$979.824 billion, explained by the results obtained at the EBITDA level. These were partially offset by the growth in the depreciation item, due to the consolidation of a larger fixed asset base from the businesses of Distribution and non-conventional renewables (EGP) as a result of the merger.

Enel Colombia's **net income** was COP \$593.756 billion, where the controlled participation was COP \$583.160 billion and the uncontrolled participation was COP \$10.596 billion, showing a YoY increase of 51%.

The above result reflects the good performance of the Company's two segments despite of:

- Higher financial expenses derived from a higher level of debt compared to the previous year, as well as the higher reference indexes, IBR and CPI, to which 33% and 40% of the debt is indexed, respectively.
- Higher tax expenses following the increase of the nominal rate by four points on the income tax to





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35%, included in the Social Investment Law.

It is worth noting that the Central American subsidiaries achieved a net profit of COP \$23.294 billion, equivalent to 3.92% of the total for the month of March.

During the first quarter of 2022, Enel Colombia made **investments** for COP \$102.620 billion.

Quarter highlights:

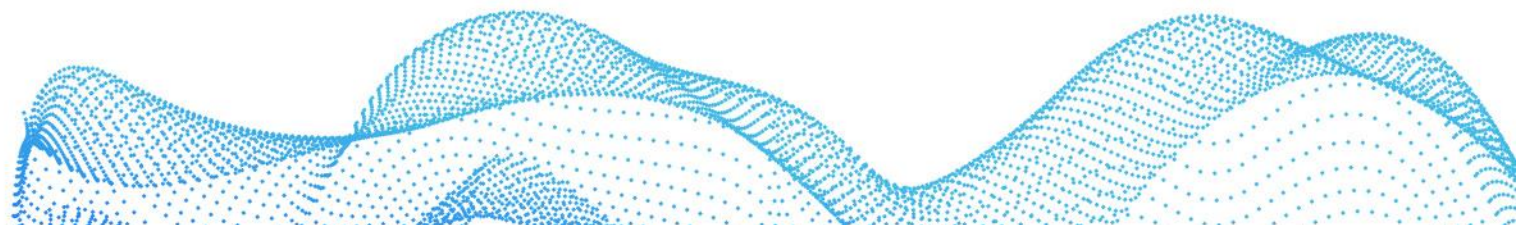
- Completion of works at five crossings of the anticipated transfer of high voltage networks for the first metro line, contributing to the new transportation system that will transform Bogotá's mobility.
- Installation of 36,000 solar panels in the La Loma solar park, which allowed the delivery of the first kilowatt-hour (kWh) of energy to the National Interconnected System (SIN).
- Beginning of the adaptation of the corporate building, in order to adapt it to the new work model.
- Delivery of a new charging station for electric buses, called Escritorio, and 172 electric buses to be operated by Transmilenio, in line with the commitment to boost the growth of electric mobility in Bogotá.
- Reactivation of the Montecristo Hydropower Plant in Guatemala after seven months of maintenance following a pipeline rupture event.

In turn, by the end of March 2022, **Net Financial Debt** had an increase of 72.6% compared to the end of 2021, explained by the absorption of the debt of the Distribution business by Enel Colombia, in line with the execution of the investment plan that the Company has been carrying out from this front.

Operating Results 1Q2022 – Generation Colombia

	1Q 2022	1Q 2021	YoY %
GWh(*)			
GENERATION ENEL COLOMBIA	3,653	3,283	+11.3%
CONTRACT SALES	3,382	3,260	+3.8%
SPOT MARKET SALES	1,013	838	+20.9%
PLANT AVAILABILITY	87.1%	88.4%	-1.3

(*) Estimated figures





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At the end of the first quarter of 2022, Enel Colombia remained the leading power generation company in terms of net installed capacity, with a 20.2% share of the National Interconnected System (SIN). This is represented by 3,589 MW, which reflects an increase of 86 MW compared to the previous period, due to the incorporation of El Paso solar farm.

Additionally, the Company ranked third largest system generator in the country, with a share of 19.6%, and reached a market share of 19.7% in the sale of energy in Colombia, being the second largest energy seller in the country.

The energy generation presented a YoY increase of 11.3% so far this year. The total generation for this period was distributed as follows, by generation source:

- 95.0% hydropower: increased hydrology in the El Quimbo, Betania and Bogota River basins, even compensating for the hydrological deficit in Guavio.
- 3.8% thermal: due to the system's requirement given the behavior of the spot price.
- 1.1% solar: corresponding to energy production at the El Paso solar plant.

Finally, the lower availability of the hydroelectric power plants was mostly due to the modernization of the protections at El Guavio power plant and the maintenance at Betania and Pagua power plants, necessary to guarantee the reliability of the generation mix.

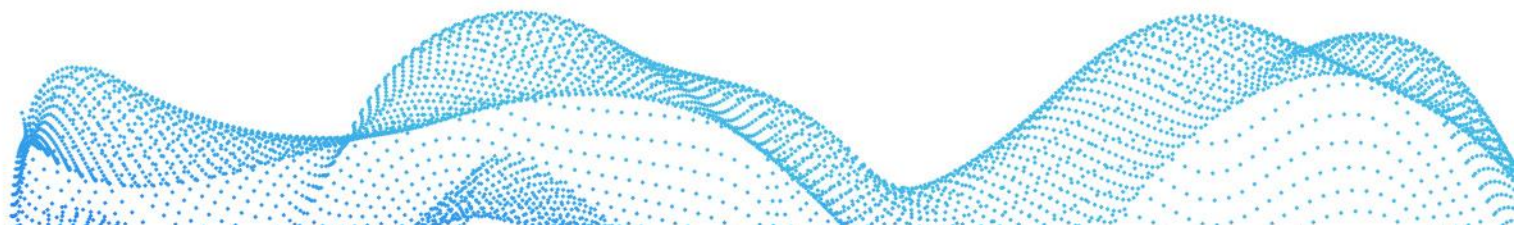
Operating Results Central America 1Q2022 – Generation

	1Q 2022
GENERATION GWh(*)	436
INSTALLED CAPACITY MWh(*)	644

(*) Estimated figures

We highlight the incorporation of the Central American companies, with presence in Panama, Costa Rica and Guatemala, which have power generation assets of 646 MW of installed capacity, from nine hydroelectric plants and nine solar plants. An additional 61 MW are under construction with two projects in Panama.

So far this year, 436 GWh have been generated, of which 93% correspond to hydroelectric sources and 7% to solar energy.





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Operating Results 1Q2022 – Distribution

	1Q 2022	1Q 2021	YoY %
DOMESTIC ENERGY DEMAND (GW/h)	18,692	17,839	+4.8%
ENEL COLOMBIA ENERGY DEMAND ⁽¹⁾ (GW/h)	3,866	3,723	+3.8%
ENEL COLOMBIA MARKET SHARE	20.7%	20.7%	+0.0
AVERAGE ENERGY LOSS RATE	7.45%	7.73%	-0.28
TOTAL CUSTOMERS ENEL COLOMBIA	3,721,822	3,635,882	+2.4%
SAIDI ⁽²⁾	490'	478'	+2.5%
SAIFI ⁽³⁾	7.95	8.01	-0.7%

(1) Energy demand within the Enel Colombia network, does not include losses from the National Interconnected System

(2) System Average Interruption Duration Index in minutes for the last 12 months

(3) System Average Interruption Frequency Index for the last 12 months

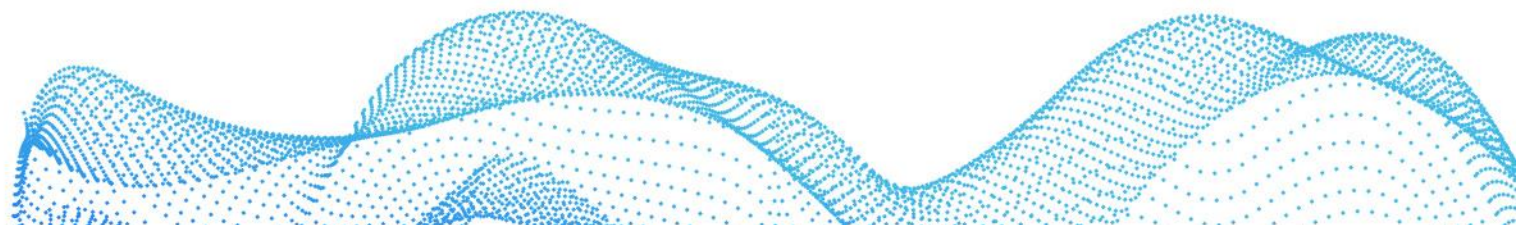
For the first quarter of the year, the domestic energy demand consolidated a positive growth rate of 4.8%, as a result of the increase in economic activity that reflects the recovery of the productive sectors in the different regions of the country.

In turn, **energy demand** in the Company's area of influence (Bogota and Cundinamarca) grew 3.8%, thanks to the reactivation of the industrial segment, based on greater production and operability to meet the growth in consumption patterns, which have reached the levels prior to the Covid-19 pandemic.

As for the **average energy loss rate**, at the end of March 2022 there was a decrease of 28 basis points, as a result of greater investments, increased technical inspections, standardization of non-customer users and the implementation of energy recovery strategies.

Regarding **total customers**, the Distribution business recorded an increase of 2.4%, in line with the organic growth and the new connections that have been made.

Finally, with respect to **supply quality indicators**, the frequency of service interruptions per customer (SAIFI) decreased by 0.7%; however, the duration of these interruptions (SAIDI) increased by 2.5% YoY. This result, which was considered in the projections, arises from the economic reactivation, which impacts mobility in the Company's areas of influence and therefore the response times of the reported failures, causing delays. In view of this, Enel Colombia is considering the implementation of strategies to reduce such effect.





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Dividends

On March 29, 2022, the General Shareholders' Meeting of Enel Colombia approved the historic payment of COP \$3.48 trillion in dividends, corresponding to the 2021 fiscal year and retained earnings between 2016 and 2020. This makes Enel Colombia one of the companies with the highest dividend per share and second highest total dividend payment to its shareholders in the real sector, as far as public knowledge is concerned.

	31/03/2022	31/12/2021
<i>Millions of Pesos (COP)</i>		
Current assets	5,559,725	667,858
Non-current assets	21,909,670	8,368,821
Current liabilities	8,563,058	1,519,710
Non-current liabilities	6,203,894	2,415,070
Equity	12,702,443	5,101,899
	31/03/2022	31/03/2021
Revenue	1,971,141	1,032,851
Costs	738,144	334,756
Contribution margin	1,232,997	698,095
Earnings before interests and taxes (EBIT)	979,824	581,817
Earnings before taxes (EBT)	905,931	550,048
Net income	593,756	393,801

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