



CODENSA S.A. E.S.P. RESULTS REPORT

As June of 2020¹

¹ The figures of Codensa's Financial Statements as of March 2019 used in this report were prepared in Colombian pesos under International Financial Reporting Standards (IFRS) officially applied in Colombia.

RELEVANT EVENTS



➡ In the second quarter of the year, Enel-Codensa received the approval of the new tariff charge, which provides stability in the revenue flow, recognizes and encourages the investments that the company makes, in favor of the quality of the service it provides to its users.

➡ Codensa has been executing its investment plan throughout 2020 to expand, improve and modernize the electrical infrastructure in Bogotá and Cundinamarca, which has represented improvements in the service quality indicators referring to the duration of interruptions (SAIDI) of 3.8% with respect to the same period of the previous year and the frequency of interruptions (SAIFI) of 12.5%.

➡ Enel-Codensa does not register substantial risks generated by the COVID-19 situation, in fact, the rate of chargeability exceeds 94% at the end of June, despite the fact that it had high default rates as in the month of April caused by the pandemic. The company has solved the adverse situations, and is in an adequate position of liquidity and wide access to the financial market, which has allowed it to face the cash needs of the business, additionally it has fulfilled its investment plan and in the month of April the substation compartir came into operation as a relevant fact.

REGULATORY UPDATE



The regulatory management during the second quarter of 2020, revolved around the approval of Codensa's charges, where by means of the resolution CREG 122 of June 24, 2020, the CREG gives response to the appeal of replacement filed by the company to the Resolution CREG 189 of 2019, deciding favorably to the filed in four main aspects:

1. Asset Regulatory Base (BRA): The initial base was adjusted, recognizing the associated assets and correcting calculation errors.
2. Administration, Operation and Maintenance (AOM): Maintains the AOM recognized in the CREG 189 resolution of 2019.
3. SAIDI and SAIFI indicators adjusted with quality incentives.
4. Approval of the investment plan, including the relevant construction units.

With the favorable response from the CREG, Enel-Codensa applies the new tariff through the distribution charge as of July, applicable since April 2019, according to resolution CREG 036/2019, which guaranteed the retroactivity of the new tariff framework provided by resolution 015 of 2018.

On the other hand, the situation generated by the pandemic led the National Government, through Decree 417 of March 17, 2020, to declare a State of Economic, Social and Ecological Emergency throughout the national territory and in turn issued several decrees, impacting the electricity sector in order to provide relief to both the most vulnerable population and the energy distribution companies in particular. Among the most important decrees that impacted the sector are:

REGULATORY UPDATE



1. Decree 517 of April 4, 2020, which granted the possibility of deferred payment of domestic public services for electric energy and fuel gas, as a measure to pay the energy bill over 24 and 36 months for the most vulnerable strata. Additionally, it determined the financing of the deferred payment by means of a liquidity line to companies with a zero interest rate, for a term equal to that in which the collection of basic or subsistence consumption is deferred.
2. By means of Decree 123 of 2020, the Mayor's Office of Bogotá assumes a 10% benefit of energy consumption to the strata 1,2,3 and 4 for the months of April to June 2020.
3. Through resolution 40130 of the Ministry of Mines and Energy of May 11, 2020, the beneficiaries and guidelines for the implementation of the voluntary contribution "I share my energy" are established; where the strata 4 to 6 and the industrial and commercial users, may make a voluntary contribution aimed at granting economic relief, among other measures.
4. Resolution 581 of April 15, 2020, establishes the conditions of the line of credit with Findeter, through which the domestic public service companies will be able to access to obtain liquidity and finance their working capital.
5. Resolution 108 of June 5, 2020 extends the transitional measures of Decree 517 of 2020, for the payment of electricity service bills.

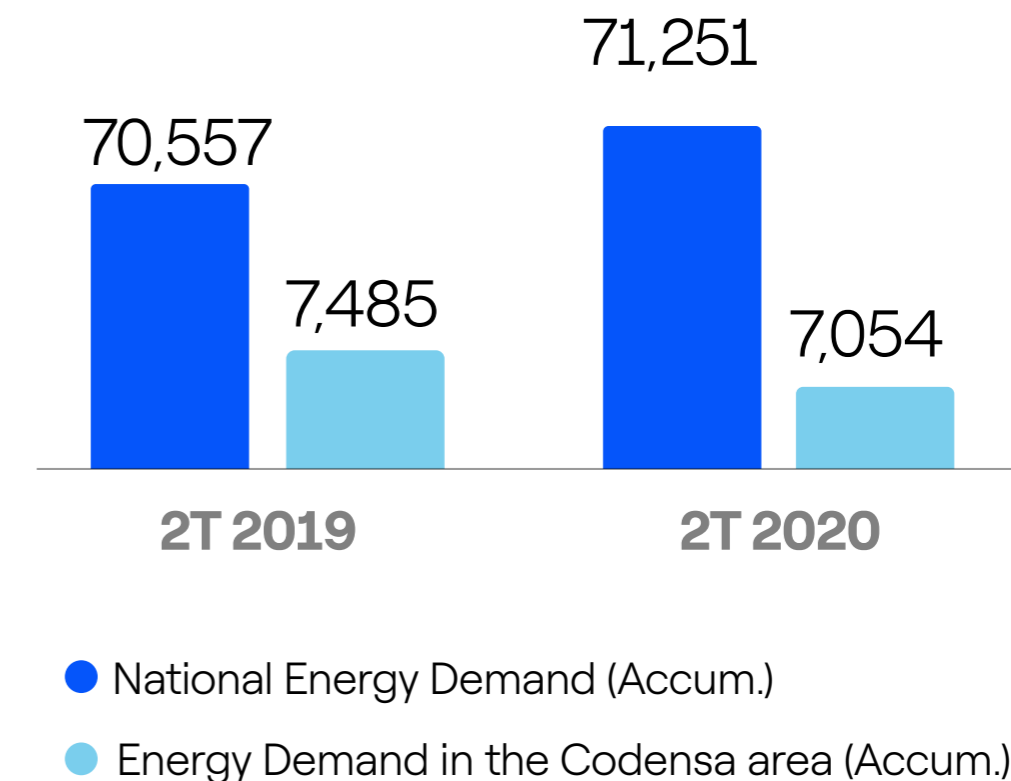
ELECTRICITY MARKET IN COLOMBIA



The national demand with cut-off in June 2020 reached 34,512 GWh, decreasing by 1.9% compared to the same period in 2019, explained by the mandatory containment measures implemented by the National Government, due to the COVID19 pandemic, which began in March and has spread, thus affecting energy consumption, mainly in the commercial and industrial sectors.

However, by May and June there will be a gradual recovery in the country's energy demand, thanks to the opening of some economic sectors, particularly in May with the industrial and construction sectors and June with the activation of the service and commercial sectors.

Energy Demand (GWh)

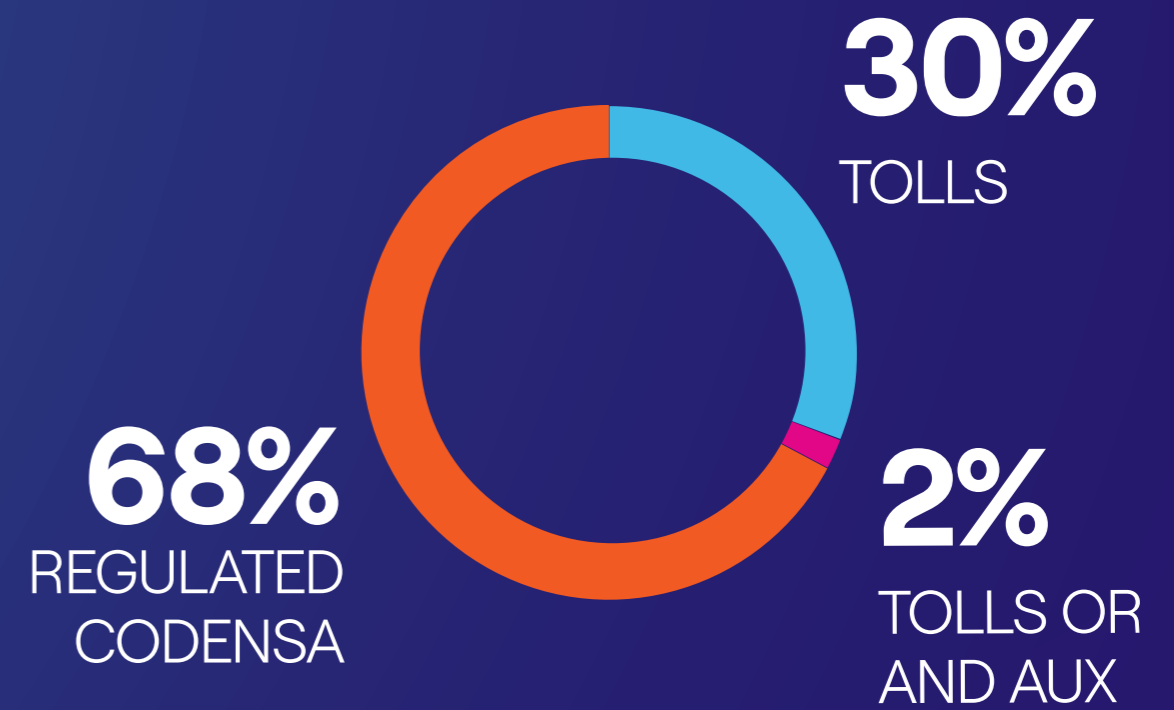


DEMAND FOR CODENSA S.A. E.S.P

➔ Energy demand in the Codensa area was 7,054 GWh

Specifically in Codensa's area of influence, the accumulated demand for energy decreased, reaching levels of 7,054 GWh, showing a contraction of 5.76% compared to 2019, due to the confinement measures taken by the Government in order to mitigate the effects of COVID19, where the industrial and commercial sectors marked the results of this decrease, and as a consequence the tolls showed an even more pronounced drop, reaching levels of 9.6%.

However, for the month of June, the energy inputs to the Codensa system show a slight recovery associated to the gradual opening of the economy as part of the intelligent preventive isolation, a trend that is expected to continue in the second half of the year.



OPERATIONAL RESULTS



Despite the situation caused by the pandemic, all the necessary actions have been taken to guarantee the continuity of the operation and the investments that help to develop the network and optimize the quality of the service, which in turn represents an improvement in Enel-Codensa's operating results.

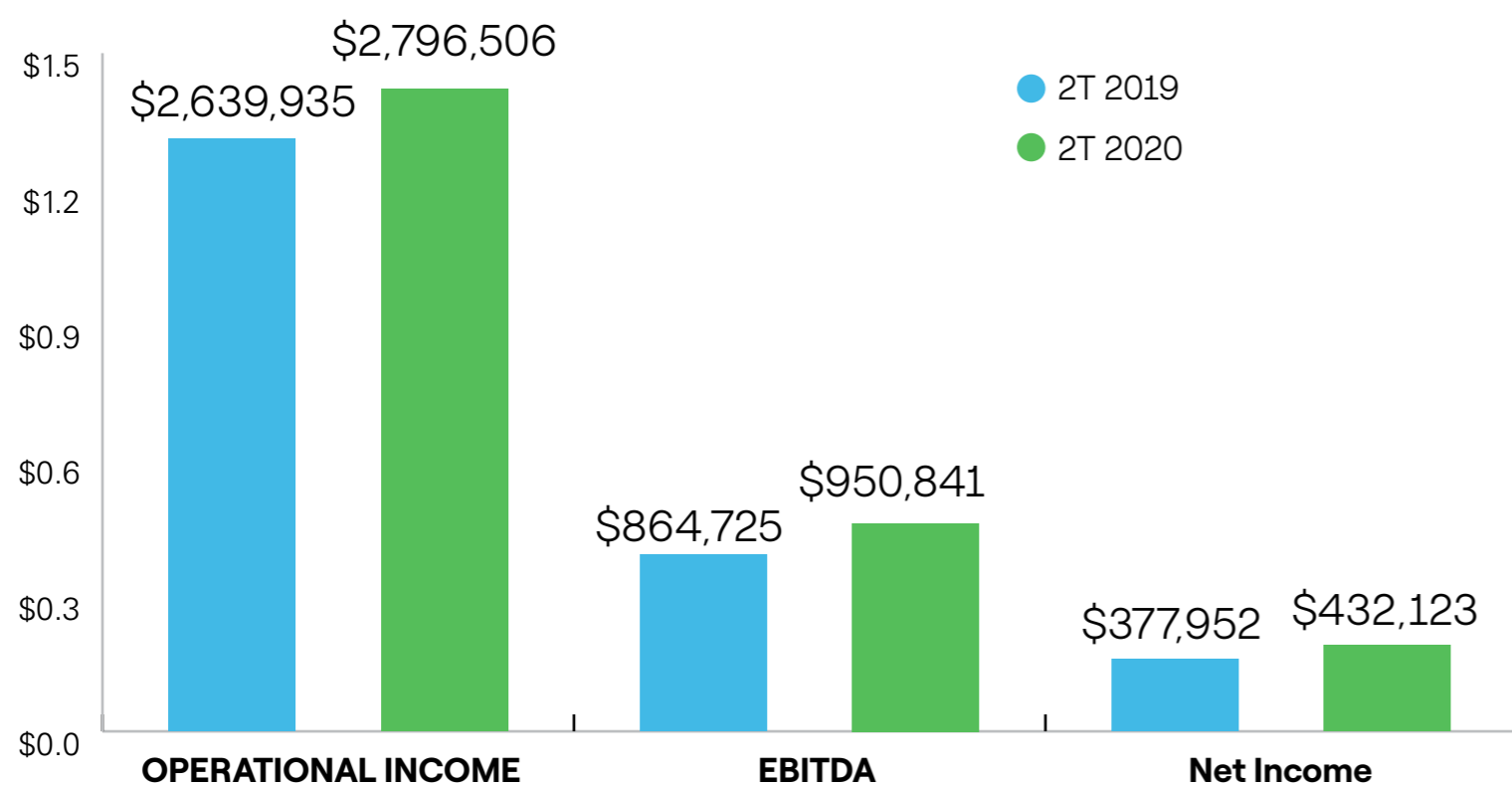
| Operational Indicators | 3Q 2019 | 3Q 2020 | Var |
|------------------------|--------------------------|-----------|---------|
| No. of Customers | 3.526.776 ⁽¹⁾ | 3.644.345 | 4,71% |
| Total Demand | 35.186 | 34.512 | -1,92% |
| Regulated Codensa | 7.485 | 7.054 | -5,76% |
| Tolls | 2.357 | 2.130 | -9,63% |
| Peajes OR y aux | 178 | 161 | -9,55% |
| Losses | 7,70% | 7,47% | -0,23% |
| SAIDI | 783 | 753 | -3,83% |
| SAIFI | 12,53 | 10,97 | -12,45% |

Thanks to the investments and efforts made, the following indicators showed significant improvement:

1. The SAIDI and SAIFI quality indicators decreased by 3.8% and 12.5% respectively, reflecting the drop in client interruptions in both minutes and frequency.
2. Codensa added 117,569 new clients to the network, which represents a 3.3% increase over December 2019.
3. Energy losses have been decreasing from a rate of 7.70% twelve months to 7.47%, reflecting the greater efficiencies in operation coupled with compliance with the operating plan, through increased inspections and the strengthening of models that improve effectiveness and allow us to continue reducing energy loss levels.

FINANCIAL RESULTS

Financial Indicators:



*Figures in trillion COP

Codensa's EBITDA was **\$0.95 billion** during 2020

Codensa's operating revenues as of June 2020 totaled \$2.7 billion pesos, which represents a 5.9% growth over the previous year.

These results are mainly leveraged in

- The approval of Enel-Codensa's new tariff charge by means of Resolution CREG 122 of 2020, which impacts the Distribution charge on the tariff, under which the regulatory asset base is adjusted, service quality is encouraged and the Administration, Operation and Maintenance of the service is recognized, as mentioned above.
- Tariff growth, due to the increase in the price levels of energy on the stock market during the year, due to the low hydrology that occurred. It is worth noting that this impact was partially offset by the drop in demand, especially in the industrial and commercial sectors.
- The good results of value-added products and services, especially in the Crédito Fácil Codensa card, with the beginning of the new operating scheme with Scotiabank Colpatria.

FINANCIAL RESULTS

In turn, costs and expenses were increased in turn, but to a lesser extent by

- The increase in the cost of energy purchases explained by the increase in stock market prices in the spot market, given the company's slight stock market exposure.
- The increase in personnel expenses due to the increase in the CPI, the minimum wage and the signing of the collective bargaining agreement for workers compared to the first half of 2019.
- The increase in operating and maintenance expenses due to the costs associated with the COVID-19 pandemic. This amount includes the donation the company made to support health and nutrition initiatives for the most vulnerable populations during the pandemic, as well as the

protection elements provided to employees to ensure personal and collective integrity, and to promote the implementation of biosafety protocols.

- The special contribution of the domiciliary public services approved in the National Development Plan in Article 314 that represented 1% of the costs and expenses directed to the Business Fund created by the National Government.

As a result, EBITDA reached a peak of 0.9 billion pesos during the first half of the year, a 10% increase over the previous year.

Depreciation and amortization showed an increase of 15.9% over the previous year in line with the investment plan executed by Enel-Codensa in recent years, in addition to the growth in provisions, due to the deterioration of the portfolio caused by the lack of payment capacity of some clients impacted by the COVID19 .

During the situation generated by the COVID19 pandemic, Enel-Codensa maintained positive results at the end of the first semester with a net income of \$0.43 billion pesos, which represents an increase of 14.3%, demonstrating its strength and resilience.



Net financial expense was \$88.802 million pesos

The net financial expense for the year 2020 showed a drop of 6.3% compared to 2019, explained by the following factors:

- The slight decrease in financial expenses, thanks to an assertive financing strategy with competitive rates, which led to a decrease in the cost of debt, which went from 7.4% to 6.63%; in addition to an efficient management of cash levels.

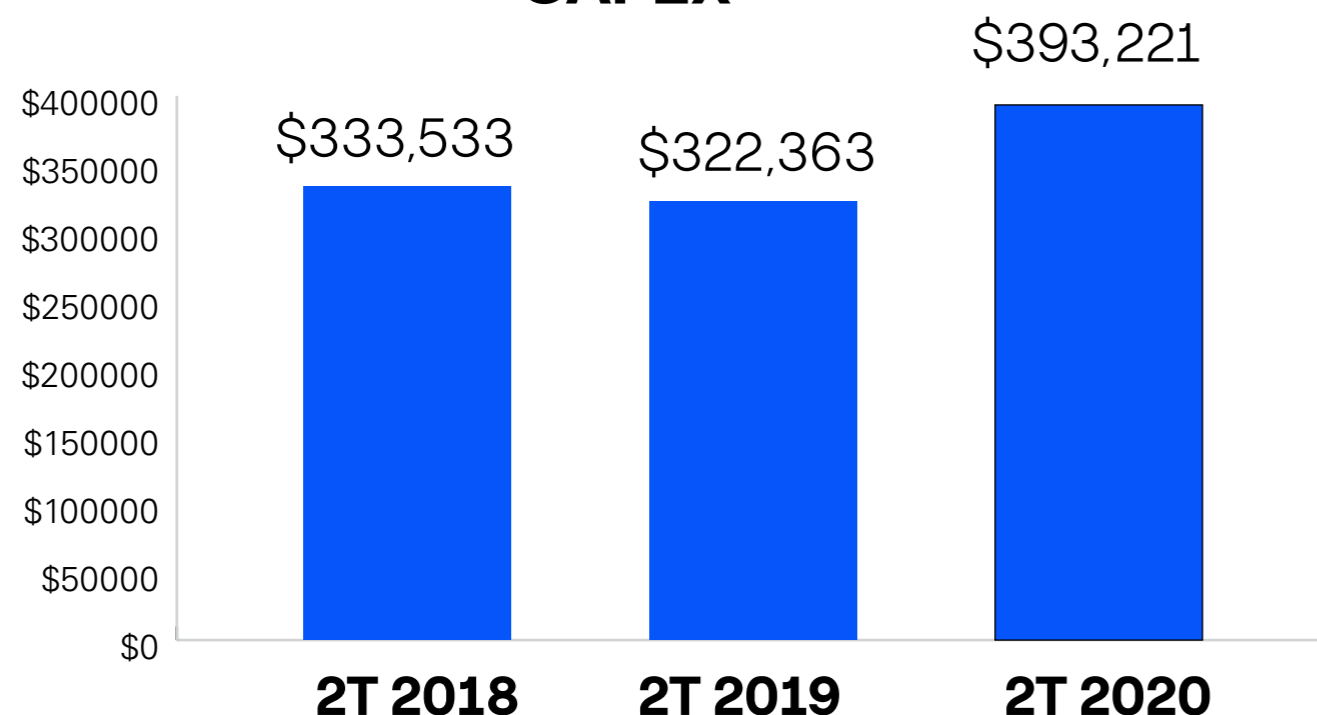
A lower debt rate of 77 bps compared to the previous year thanks to a decrease in the cost of debt from 7.4% to 6.63%.

Finally, there was a lower effective income tax rate, aligned with the 1% income tax rate reduction approved by the National Government's Economic Growth Law, also positively affected by the results of the tax benefit optimization strategy presented in the May 2020 tax return with the implementation of energy efficiency initiatives such as the modernization of public lighting and smart metering.

INVESTMENTS FOR \$0,32 BILLION PESOS

Investments have had a sustained growth since 2014. During 2020, investments of \$0.32 billion pesos have been made, and a historical record of \$0.94 billion pesos is expected to be reached at the end of the year, thus growing by 6.6% with respect to the previous year, showing the company's commitment to improving the quality of service for its customers.

CAPEX

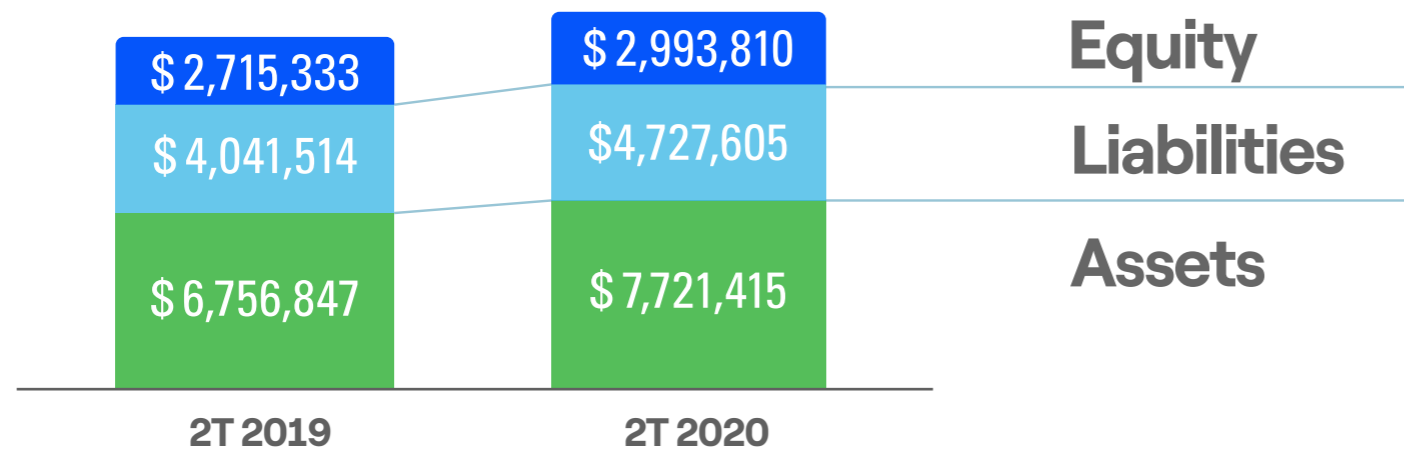


The company has deployed its energy transition plan, focusing its investments on corrective maintenance to provide better quality service to its clients, on expanding capacity and growth through projects that will transform the city of Bogotá, such as the Bogotá Metro, the Regiotram and the development of electric mobility in the capital; It will also focus on the entry into operation of substations such as Compartir and Mosquera; finally, as for the digitalization pillar, the company is developing remote control and automation of its plants to go in line with the energy transition within a framework of sustainability.

*Figures in million COP

BALANCE SHEET STRUCTURE

BALANCE SHEET



*Figures in Million COP

As of June 30, 2020, the Company's assets amounted to \$7.7 billion pesos, of which property, plant, and equipment represented 75.2%, totaling \$5.8 billion pesos, while commercial accounts receivable represented 12.2% at \$0.9 billion pesos, explained primarily by the growth of loan loss provisions due to the non-payment of some clients affected by the pandemic; additionally, cash and cash equivalents represented 4.1% at \$0.31 billion pesos.

Compared to the cut-off date of December 31, 2019, total cash and other current financial assets showed a decrease of 0.9%, mainly explained by the lower amount available after the payment of the last dividend installment of the 2018 period and the first installment of the 2019 profits, with a 70% payout and the execution of the OPEX and CAPEX foreseen during the year.

Codensa's total liabilities at the end of June 2020 were \$4.7 trillion pesos, an increase of 15.1% compared to the end of 2019, mainly explained by the bank loans taken during the first half of 2020 with the debt taken out in April with the Bank of Tokyo for COP 397,500 million and the credit with Finagro for COP 200,000 million.

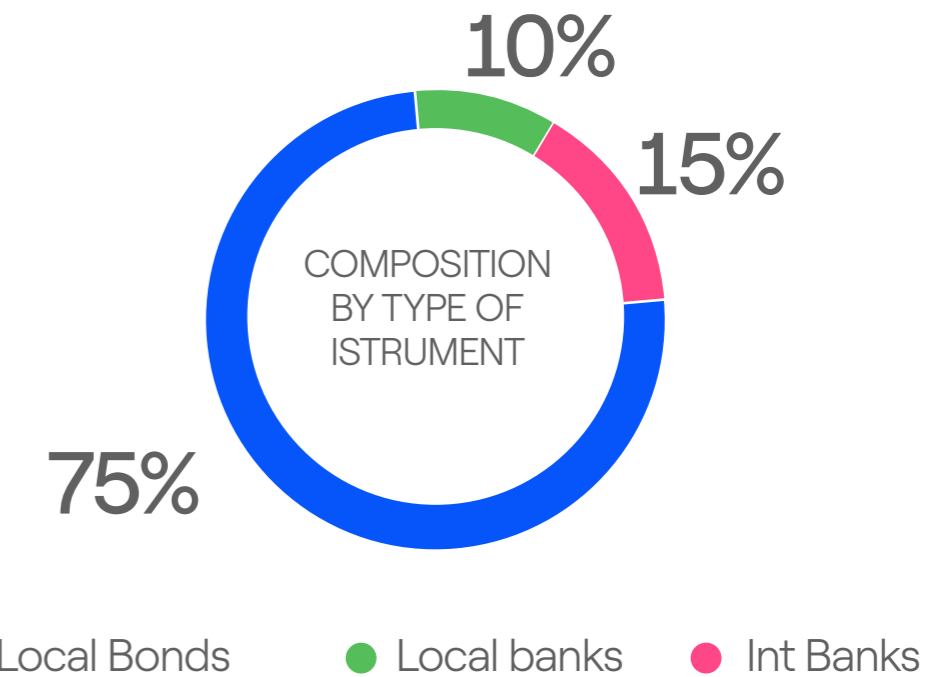
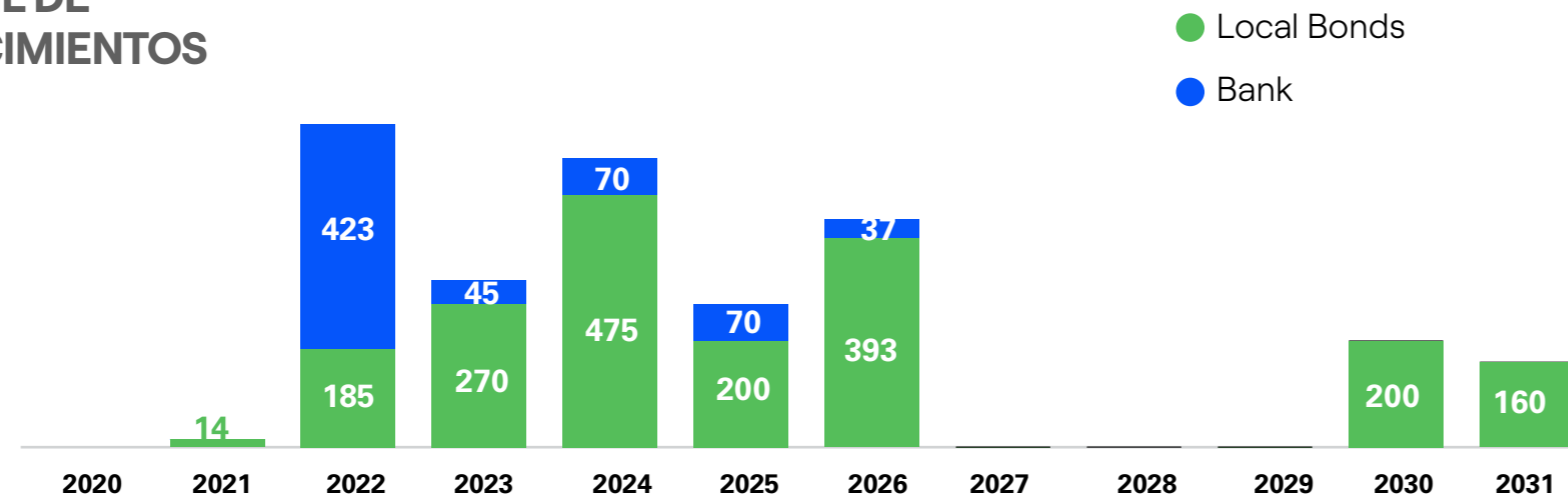
The Company's equity was \$2.9 billion pesos, a decrease of 4.7% compared to December 31, 2019, due to the dividend decree charged to 70% of Codensa's 2019 earnings.

With regard to the company's financial structure, liabilities represented 61.2% of total assets and equity 38.8%.

During 2020, Codensa paid \$329,565 million pesos in dividends to its shareholders, corresponding to the last share of profits for the 2018 period and the first share of profits for the 2019 period with a 70% payout.

FINANCIAL DEBT

PERFIL DE VENCIMIENTOS



100% COP
CURRENCY



3,51X
AVERAGE LIFE

1,0X
NET DEBT / EBITDA



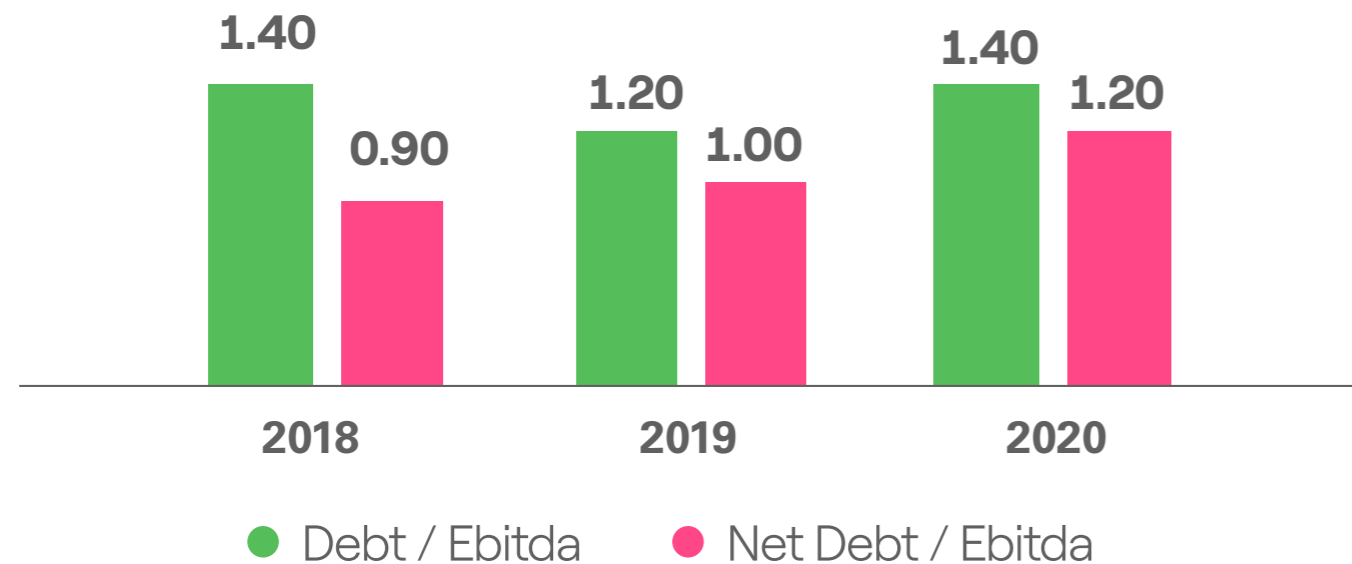
6,30%
AVERAGE RATE

At the end of June 2020, Codensa's financial debt, including interest, amounted to \$2.734.138 million pesos, an increase of 24.7% with respect to the balance of December 2019, as a result of the contracting of a loan with Banco BBVA under the subsidized Finagro line for \$200.000 million pesos over 5 years; and subsequently the taking out of a loan with the Bank of Tokyo for \$397.500 million pesos. On the other hand, amortizations during the year amounted to \$190,162 million pesos.

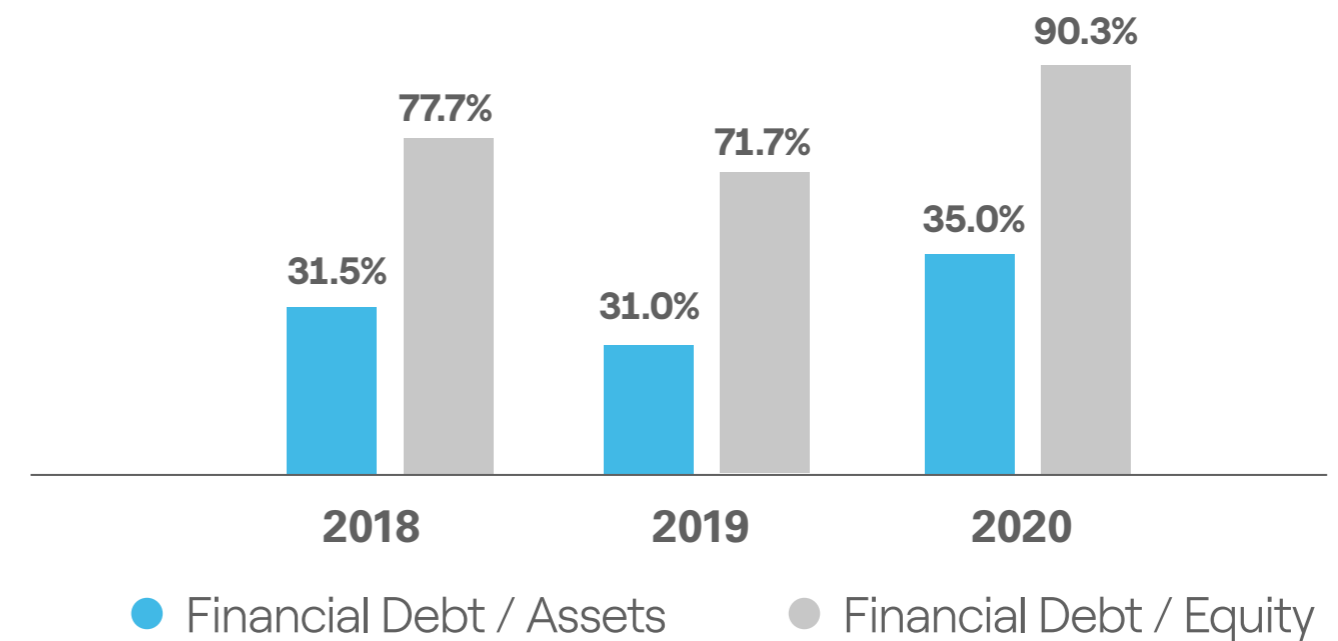
FINANCIAL DEBT



DEBT COVERAGE



LEVERAGE



At the end of June 2020, Codensa's total financial debt was denominated in pesos and its average life was 3.51 years.

FINANCIAL DEBT

For the eighth consecutive year, Codensa received the IR-Relationship recognition for its commitment, transparency and high standards in terms of information disclosure and its relationship with investors, thanks to which we have been able to establish more effective relationships with our investors, through the management of information in a responsible, ethical and transparent manner.

Additionally, Fitch Ratings affirmed a rating of AAA(Col); stable long-term outlook and F1+ (Col) short-term outlook on July 6, 2020.

If you require additional information, please contact our **Investor Relations (IR) team:**

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OPERATIONAL RESULTS

AS OF SEPTEMBER 2020



Thus, the cumulative results from January to September 2020 for the SAIDI duration index stand at 414.6 minutes and for the SAIFI frequency index at 6.61 times, representing an improvement of 27% in SAIDI and 22% in SAIFI compared to the same period in 2019.

These results have been achieved by the timely completion of the 2020 Integrated Quality Plan which involves investment activities, maintenance and other measures such as continuous and intensive cycles of forest intervention, continuous improvement of operational management, installation of remote control equipment and change of structures among others.

Similarly, an outstanding compliance is obtained in the IMPROVEMENT AGREEMENT signed with the Superintendence of Public Utilities in January 2020, highlighting the following results for the third quarter:

- There is a reduction in service quality indicators of 79.5% in SAIDI and 68.8% in SAIFI grouped in the area defined in the agreement.

- With the investment projects executed by ENEL Codensa in Bogotá during the course of 2020, it is estimated that the quality of service perceived by approximately 930,000 clients has improved.
- The commitment to improve the quality of service in the municipalities that are part of the agreement is reflected in the execution of maintenance and investment works, with 108% and 93% compliance, respectively, so far in 2020.

The improvement agreement has allowed us to strengthen the communication channels with Network Operators with whom we share borders, which will result in an improvement in the quality of service perceived by users located in these municipalities.

The following is a summary of the main operational results as of September 2020: