

## ENEL-CODENSA HAS INCREASED ITS NET INCOME BY 14% IN 2021

Bogota, October 26, 2021

### Financial Results 9M 2021

	9M 2021	9M 2020	YoY %
<i>Millions of Colombian Pesos (COP)</i>			
REVENUES	4,655,236	4,202,183	+10.8%
EBITDA	1,536,914	1,407,509	+9.2%
EBIT	1,172,638	1,022,374	+14.7%
NET INCOME	713,995	626,243	+14.0%
NET FINANCIAL DEBT <sup>(1)</sup>	3,236,868	2,452,633 <sup>(2)</sup>	+32.0%
INVESTMENTS	658,094	677,381	-2.8%

(1) Short-term financial debt + Long-term financial debt - Cash and other financial assets  
(2) Figures as of December 2020

Lucio Rubio Díaz, General Manager of Enel in Colombia, stated: *the economic reactivation of the productive sectors has represented valuable growth for the country. The increase in energy demand in Bogota and Cundinamarca has been one of the key factors for increasing revenue by 10.8%, reflecting, in turn, excellent results in terms of EBITDA (9.2%) and net income (14.0%). These results become more relevant when considering the amount of financial debt acquired to leverage our ambitious investment plan, thanks to which we have reduced the frequency (SAIFI) and duration (SAIDI) of service interruptions per customer by 15.8% and 22%, respectively.*

The company's consolidated results show a positive trend as a result of the factors explained below:

For the first nine months of the year, **revenues** increased by 10.8% YoY, mainly explained by:

- Higher revenues from the incorporation of new assets into the regulatory base, as a result of the important execution of the investment plan focused on improving service quality and transforming the network.
- Accumulated annual growth of 6.7% of the energy demand in Enel-Codensa's area of influence, driven by the economic reactivation of the commercial and industrial segments.
- Update of the distribution charge due to the effect of the Producer Price Index (PPI) to which the remuneration component is indexed.
- Better performance of value-added products such as the entry into operation of the four charging stations for the Integrated Public Transport System's (SITP) electric buses and a greater margin in the billing of the cleaning service due to the entry of new operators in Bogota and Cundinamarca.

The increase in operating revenues was partially offset by:

- Higher market activity in terms of registered frauds that have affected the result of effective losses.
- Lower margin on credit cards due to a higher receivables accrual given the behavior of the customer default rate.

In addition, **fixed costs** decreased by 1.2%, given the implementation of the efficiency program and the investment results that have diminished the failures in the networks.

In turn, **EBITDA** registered an increase of 9.2%, explained by the growth in revenue and efficiencies in the management of fixed costs outlined above.

**EBIT** evidenced an increase of 14.7%, mainly due to the EBITDA results and the positive effect of the reduction of receivables accruals compared to 2020, year in which a substantial increase was registered in this item given the impairment of the commercial portfolio caused by the pandemic.

**Net Income** increased 14.0% YoY, reflecting the positive results of EBIT despite an increase in financial expenses (+11.2%), which were the result of a higher average debt balance due to the execution of the investment plan and a higher tax accrual value that incorporates the effect on deferred tax caused by the increase to 35% of the income tax nominal rate, included in the Social Investment Law.

Accordingly, **Net Financial Debt** increased 32.0% YoY as a result of the Company's ambitious investment plan, which generates new financing needs throughout the year.

Between January and September 2021, Enel-Codensa accumulated **investments** of \$658,1 billion pesos, focused on the modernization and maintenance of the distribution infrastructure, telecontrol, the repowering of substations and the expansion of the capacity of the grids and circuits, to be able to meet the new demand and the connection of new customers in low, medium, and high voltage.

In this last quarter, the opening of the second charging station in Unicentro Bogotá stands out, becoming the largest and fastest in a shopping center, in addition to the opening of the first underground cable test field, which materializes new opportunities for adopting new technologies that will transform the capital's spaces into visibly cleaner and more sustainable places, with an urban offer of higher quality.

## Operating Results 9M 2021

	9M 2021	9M 2020	YoY %
DOMESTIC ENERGY DEMAND (GW/h)	54,913	52,309	+5.0%
ENEL-CODENSA ENERGY DEMAND <sup>(1)</sup> (GW/h)	11,447	10,731	+6.7%
ENEL-CODENSA MARKET SHARE	20.7%	20.6%	+0.1
AVERAGE ENERGY LOSS RATE	7.59%	7.54%	+0.05
TOTAL ENEL-CODENSA CUSTOMERS	3,681,282	3,584,631	+2.7%
SAIDI <sup>(2)</sup>	511'	655'	-22.0%
SAIFI <sup>(3)</sup>	8.3	9.9	-15.8%

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

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

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

The domestic energy demand maintains a positive dynamic. So far this year, it has registered a growth rate of 5.0%, leveraged by the reopening of the productive sectors and the recovery of consumer habits throughout the country. Energy demand in September increased by 7.28% YoY, which confirms the economic recovery.

With respect to the **energy demand** in the area of influence of Enel-Codensa (Bogota and Cundinamarca), there is an increase of 6.7%, two percentage points above the growth of the domestic demand, which

evidences a good growth rate in the commercial and industrial segments. In addition, the accumulated growth recovers the drop observed in 2020 and even exceeds the levels registered before the start of the Covid-19 public health emergency.

Enel-Codensa's **average energy loss rate** for the last twelve months reflects a growth of 0.05 points, as a result of two aspects: higher technical losses due to the recovery of energy demand and higher fraud propensity in certain locations. In response, the action plan has been strengthened through an increase in the number of technical inspections, new targeting campaigns, standardization of users with direct connection to the grid, and enabling measurement points to identify critical areas with high volumes of fraud.

The number of **total Enel-Codensa customers** increased by 2.7% as a result of the new connections during the period in question and originated by the Company's organic growth.

Regarding the results in the **service quality indicators**, a 15.8% and 22% YoY decrease was achieved in the frequency (SAIFI) and (SAIDI) duration of service interruptions per customer, respectively. This is thanks to the execution of the investment plan focused on electrical maintenance, telecontrol projects and modernization of the grid, despite the significant challenges posed by the high rainfall in the area of influence, which has been above average.

## Dividends

As of September 30, 2021, Enel-Codensa paid a total of \$908,5 billion pesos in dividends to its shareholders, more than 2.7 times the value paid the previous year. These include the change in the dividend distribution policy from 70% to 90%, in addition to the advance payment of the second and last dividend installment of 2021, made in August and initially scheduled for December, aligned with what was approved by the General Shareholders' Meeting held in July 2021, as part of the agreement reached with the partner Grupo Energía de Bogotá.

	9M 2021	9M 2020
<i>Millions of Pesos (COP)</i>		
Current assets	1,649,491	1,915,048
Non-current assets	7,110,282	6,474,822
Current liabilities	2,653,157	2,360,670
Non-current liabilities	3,143,181	2,832,763
Equity	2,963,435	3,196,437
<b>Revenue</b>		
Revenue	4,655,236	4,202,183
<b>Costs</b>		
Costs	2,743,566	2,404,507
Contribution margin	1,911,670	1,797,676
Earnings before interests and taxes (EBIT)	1,172,638	1,022,374
Earnings before taxes (EBT)	1,020,204	878,234
Net income	713,995	626,243

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